

***United States Court of Appeals  
for the Second Circuit***



**APPENDIX**





ORIGINAL

75-7649

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United States Court of Appeals

For the Second Circuit

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MARVIN STERN,

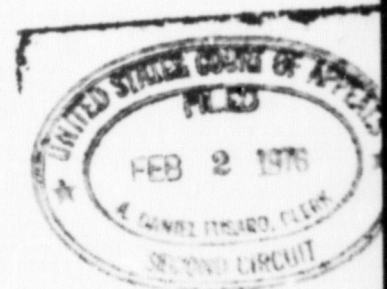
*Plaintiff-Appellee  
and  
Cross-Appellant,*

*against*

SATRA CORPORATION and  
SATRA CONSULTANT CORPORATION,  
*Defendants-Appellants  
and  
Cross-Appellees.*

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Appeal from a Judgment of the United States  
District Court for the Southern District of New York



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JOINT APPENDIX—EXHIBITS

VOLUME IV OF IV

Pages E1 to E113

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and Satra Consultant Corporation*  
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E 1

**Plaintiff's Exhibit A**

**Draft "Memorandum of Agreement Between  
Dr. Marvin Stern and Satra Corporation",  
Dated August 13, 1971**

August 13, 1971

MEMORANDUM OF AGREEMENT E 2

CAPS

between  
DR. MARVIN STERN

It is hereby agreed that Dr. Marvin Stern and the SATRA CORPORATION will use their joint best efforts to consult for and help represent, in the Union of Soviet Socialist Republics, U.S. companies in the fields of advanced technology products, licenses and services.

1. ~~It is agreed that~~ Whatever benefits are derived from these efforts will be shared equally by the partners.

2. Until \_\_\_\_\_, all of Dr. Stern's expenses and incurred on behalf of the partnership, ~~in addition to~~ a fee to Dr. Stern of \$ \_\_\_\_\_/mo. will be paid by SATRA. Revenues generated by the partnership will be offset against said expenses and fee, on a current income basis.

3. After \_\_\_\_\_, all of Dr. Stern's expenses incurred on behalf of the partnership will be borne by the partnership.

4. After \_\_\_\_\_, this agreement may be terminated, by either party by giving 60 days written notice. If this agreement is terminated, the partners shall continue to share equally, for a period of 5 years, those benefits accruing from business follow-on to that initiated prior to date of termination, and shall continue their joint best efforts to conclude successfully any negotiations under progress.

Exhibits EXO for ID

2/18/72

*[Signature]*

By

Marvin Stern

FOR THE SATRA CORPORATION

By

Ara Oatman  
President

PLAINTIFF'S  
EXHIBIT NO.

E 3

**Plaintiff's Exhibit B**  
**Draft "Memorandum of Agreement Between**  
**Dr. Marvin Stern and Satra Corporation",**  
**Dated August 25, 1971**





August 25, 1971

Memorandum of Agreement  
between

Dr. Marvin Stern  
and  
Satra Corporation

It is hereby agreed that:

1. Dr. Marvin Stern and the Satra Corporation will use their joint best efforts to consult for and help represent, in the USSR, selected U.S. companies. Each company selected to be covered by this agreement will be agreed upon in separate memoranda, and the proportionment of income therefrom will be specified therein.
2. The term of this agreement, commencing September 1, 1971, shall be for a minimum period of one year, and shall continue thereafter until either party elects to terminate on thirty day notice. After the term ends, Dr. Stern and Satra will continue to participate in all commitments entered into during the term or worked on during the term and consummated afterwards.
3. All of Dr. Stern's expenses incurred by him in connection with any such selected effort will be reimbursed to Dr. Stern by Satra.
4. During the term of this agreement Satra will pay Dr. Stern a fee of \$7500 per month, which fee shall include his travel and living expenses in New York incurred by virtue of his residing in California.
5. Gross income from the endeavors hereunder, by whomever received, will first be applied to repay Satra the fees paid to Dr. Stern per (4). Income in excess of these repayments will be shared by Dr. Stern and Satra according to the separate memoranda referred to in (1).

PLAINTIFF'S  
EXHIBIT NO.  
B

-2-

6. This agreement will be binding until a formal agreement is entered into, which will be done as soon as practicable.

By \_\_\_\_\_  
Marvin Stern

For the Satra Corporation

By \_\_\_\_\_  
Ara Oztemel

E 6

**Plaintiff's Exhibit C**

**Satra's Offer to Stern of August 31, 1971, Entitled  
"Memorandum, To: Dr. Marvin Stern"  
(Two Pages and Attached Expense Schedule)**





E 7

August 31, 1971

Memorandum

To: Dr. Marvin Stern

In connection with the proposed joint venture with IBM and Stromberg-Carlson, we offer you the following two alternatives for our relationship. Either one is acceptable to us.

I.

A. No financing by Satra

B. Your compensation will be 50 percent of gross revenues received from IBM and Stromberg-Carlson by Satra after deduction of expenses on an annual basis as per attached schedule. These commissions will be payable for all amounts accrued by Satra during the term of any agreement signed by Satra with IBM and S-C plus all commissions that may be earned from sales then under negotiation. Commissions will also be paid during the term of any ~~reversal~~ renewal of such agreement provided Stern continues to devote such time necessary to service the agreement. These commissions will be paid quarterly after an amount equal to expenses has been recouped in each year.

C. All expenses for the project will be advanced by Satra to be recouped out of earnings, if any, including your incidental expenses which will not include amounts attributable to your commuting from Los Angeles to New York. All foreign travel by you, in connection with this venture, must be approved by Satra.

D. All personnel to be hired or assigned by Satra to the project will be Satra's sole responsibility.

II.

A. Beginning September 1, 1971, Satra will advance to you

PLAINTIFF'S  
EXHIBIT NO.

C

Memorandum to Dr. Stern

-2-

August 31, 1971


the sum of \$6,250 per month for a period of six months, payable at the end of each month. This amount is to be repaid to Satra from your share of the net profits (gross revenues after deduction of expenses as per attached schedule) after you have received from your share of the net profits, if any, the sum of \$50,000 annually.

B. You will receive as additional compensation 30 percent of gross revenues received by Satra from IBM and S-C after deduction of expenses on an annual basis as per attached schedule. These commissions will be payable for all amounts accrued by Satra for a period of three years from the date an agreement is signed by Satra with IBM plus all commissions that may be earned from sales then under negotiation. In addition such commission will be continued to be paid Stern so long as he continues to devote such time as necessary to service the agreement. These commissions will be paid quarterly after an amount equal to expenses has been recouped in each year.

OR ANY  
RENEWAL  
THEREOF.

C. All expenses for the project will be advanced by Satra to be recouped out of earnings, if any, including your incidental expenses which will not include amounts attributable to your commuting from Los Angeles to New York. All foreign travel by you must be approved by Satra.

D. All personnel to be hired or assigned by Satra to the project will be Satra's sole responsibility.





## SCHEDULE

Incremental  
Annual RevenueIncremental  
Annual Expenses

\$250,000

\$100,000

\$250,000

50,000

\$250,000

25,000

\$250,000

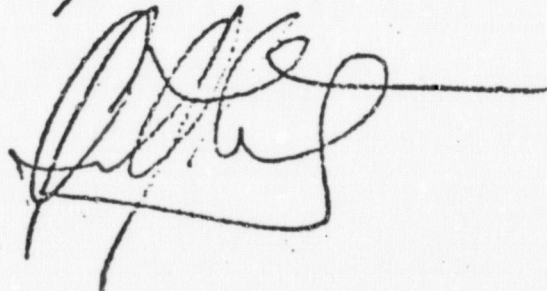
15,000

\$1,000,000

10,000

In alternate one (I) any returns received will be divided 50-50. Other income as above schedule.

This option is valid until 9:00 A.M.  
Thursday morning Sept 2, 1971



**Plaintiff's Exhibit D**

**Stern's Acceptance of Alternative I of Satra's August  
31, 1971 Offer, Entitled "Memorandum To: Mr. Ara  
Oztemel", Dated September 1, 1971  
(One Page and Two-Page Attachment)**

Sept 1, 1971

John

Memorandum to:

Mr. Ara Oztemel

Reference your memorandum to me dated August 31 offering two alternatives for our relationship in connection with the proposed joint venture with IBM and Stromberg-Carlson, please be advised that I accept alternative I (one).

Marvin Stern

PLAINTIFF'S  
EXHIBIT NO.  
D

EXHIBIT

PAUL FROMM, C.S.R.

FILED  
DEPT. EXH. 28 ID.

DATE





August 31, 1971

## Memorandum

To: Dr. Marvin Stern

In connection with the proposed joint venture with IBM and Stromberg-Carlson, we offer you the following two alternatives for our relationship. Either one is acceptable to us.

## I.

A. No financing by Satra

B. Your compensation will be 50 percent of gross revenues received from IBM and Stromberg-Carlson by Satra after deduction of expenses on an annual basis as per attached schedule. These commissions will be payable for all amounts accrued by Satra during the term of any agreement signed by Satra with IBM and S-C plus all commissions that may be earned from sales then under negotiation. Commissions will also be paid during the term of any ~~reversal~~ renewal of such agreement provided Stern continues to devote such time necessary to service the agreement. These commissions will be paid quarterly after an amount equal to expenses has been recouped in each year.

C. All expenses for the project will be advanced by Satra to be recouped out of earnings, if any, including your incidental expenses which will not include amounts attributable to your commuting from Los Angeles to New York. All foreign travel by you, in connection with this venture, must be approved by Satra.

D. All personnel to be hired or assigned by Satra to the project will be Satra's sole responsibility.

## II.

A. Beginning September 1, 1971, Satra will advance to you

SCHEDULE

Incremental  
Annual Revenue

Incremental  
Annual Expenses

\$250,000

\$100,000

\$250,000

50,000

\$250,000

25,000

\$250,000

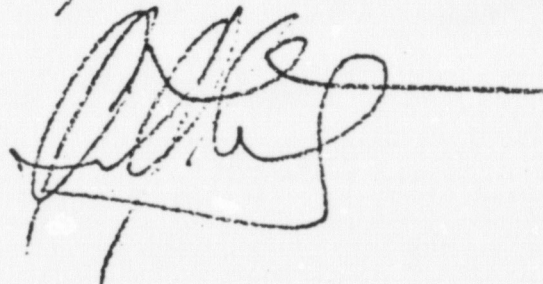
15,000

\$1,000,000

10,000

In alternate one (I) any returns received will be divided 50-50. Other income as above schedule.

This option is valid until 9:00 A.M. Thursday morning Sept 2, 1971





E 14

**Plaintiff's Exhibit E**

**Document on the Letterhead of Satra Consultant  
Corporation to Dr. Marvin Stern, Dated September 22, 1971**



## SATRA CONSULTANT CORPORATION

475 PARK AVENUE SOUTH • NEW YORK, N.Y. 10016

212/679-6098

CABLE: NYSATRACO

TELEX: 224532

September 22, 1971

Dr. Marvin Stern  
475 Park Avenue South  
New York, N.Y. 10016

Dear Dr. Stern:

In connection with the agreement presently being negotiated with IBM World Trade Corporation for representation of it in the Soviet Union, we would like to advise you that it is in our best interest that this agreement be concluded by and between Satra Consultant Corporation and IBM World Trade Corporation, with Satra Corporation, our parent company, acting as Guarantor on its own behalf and on behalf of its other subsidiaries.

Should such an agreement be concluded with Satra Consultant Corporation, we, of course, undertake to guarantee the agreement entered into between you and our parent company, Satra Corporation, dated September 1, 1971.

Any amounts which may become due and payable to you by virtue of the agreement with IBM World Trade Corporation shall be our obligation to you as well as that of our parent company.

Very truly yours,

SATRA CONSULTANT CORPORATION

By

  
Treasurer
GUARANTEED & APPROVED:

SATRA CORPORATION

By

  
Treasurer

PLAINTIFF'S  
EXHIBIT NO. E

E 16

**Plaintiff's Exhibit H**

**Document Entitled "Consultant and Financial  
Representation Agreement Between Satra Corporation  
and IBM World Trade Corporation"**



CONSULTANT AND  
FINANCIAL REPRESENTATION AGREEMENT

between  
SATRA CORPORATION

and  
IBM WORLD TRADE CORPORATION

E 17

Def. FY 2  
4/25/72-27 fard

IT IS AGREED THAT on and after September 22, 1971, IBM WORLD TRADE CORPORATION of 821 United Nations Plaza, New York, New York, 10017, hereinafter referred to as the "Company", appoints SATRA CORPORATION of 475 Park Avenue South, New York, New York, 10016, and its subsidiaries, all hereinafter referred to as the "Consultant", consultant and financial representative for the UNION OF SOVIET SOCIALIST REPUBLICS, hereinafter referred to as the "Territory", under the following terms and conditions:

I

FUNCTIONS OF THE PARTIES

A. The Consultant shall advise the Company on what action the Company should take in order to establish a long range sales program to the Territory for the Company's Data Processing Machines. "Data Processing Machines" shall mean IBM Data Processing Equipment and related supplies initially offered by the Company to its customers in the Territory as well as such additional Data Processing Equipment as the Company shall offer in the future.

PLAINTIFF'S  
EXHIBIT NO.

H

The Company shall have the duty and responsibility of determining the sales policy for the Territory based upon the recommendations of the Consultant. The Consultant shall have the duty and responsibility of recommending the method of executing an approved program. The Company, and the Company alone, may in its sole discretion accept or reject any order received from or for the Territory.

B. The Consultant shall coordinate and assist the Company's representatives in their contacts with representatives and officials of appropriate organizations in the Territory delegated with the authority to deal in the same or similar products as those of the Company.

C. The Consultant shall provide such office space and administrative services as the Company may from time to time reasonably require.

D. The Consultant shall advise the Company regarding its activities in the Territory in matters where these activities may affect the Company's compliance with the laws and regulations of the Territory.

E. The Consultant shall assist Company personnel in obtaining satisfactory visas for entry into and departure from the Territory for the purpose of satisfying the Company's obligations to its customers in the Territory.



F. The Consultant shall generally assist the Company in its activities by advising (1) on the need for Data Processing Equipment in the Territory, (2) on governmental administrative practices, and (3) on local technical capability and resources.

G. The Consultant shall promote all of the Company's trademarks, if requested, and will promote the good will and name of the Company's products and processes throughout the Territory.

H. The Company shall require payment from its customers in the Territory in U.S. dollars or any other Western freely convertible currency. It shall be the Consultant's responsibility to negotiate with the appropriate government authorities in the Territory, and to enter for the Consultant's own account, any financial transactions, such as long term financing, barter, switch and other similar arrangements, which deviate from the Company's standard commercial practices for the sale of Data Processing Machines, whenever such negotiations and transactions are necessary for the sale of the Company's Data Processing Machines in the Territory.

I. To assist the Consultant in these endeavors the Company shall furnish the Consultant with published technical data, literature, advertising material and prices pertaining to the Company's Data Processing Machines. The Company further agrees to do everything reasonable and necessary on its part to insure a successful sales program including applying for appropriate export licenses, participating in all necessary negotiations taking place in the Territory, and preparing proposals with deliberate speed.

## II

FEE PAYABLE BY COMPANY

- A. As consideration for the Consultant's services on the Company's behalf, the Company agrees to pay the Consultant a commission equal to 3 1/2% of the revenue, exclusive of amounts received for boxing, freight, insurance, export clearance, customs duty, other costs incidental to shipment to the Territory and taxes of whatever nature, on all orders for Data Processing Machines received and accepted by the Company or its Subsidiaries directly from the Trade Ministry, the Foreign Trade Corporations and the delegations of the Territory, and paid for by such customers, during the term of this Agreement.
- B. Upon execution of this Agreement the Company shall advance a retainer to the Consultant of \$25,000.00, and ninety days thereafter an additional \$25,000.00. These advances shall be charged against future commissions. Six months from the date of execution of this Agreement, the need for further advances shall be reviewed by the Consultant and the Company in the light of sales results and the future outlook for sales.
- C. The Company shall account to the Consultant monthly by the last day of the month for commissions earned by the Consultant during the preceding calendar month, which commissions shall be based upon actual orders paid for by customers during such preceding calendar month. Payment to the Consultant is to be in full of the commissions earned during the preceding calendar month in the currency received by the Company from its customers in the Territory for the sale of



Data Processing Machines. In the event any of the equipment on which commissions have been paid is later returned to the Company for credit, the Company shall deduct the amount of any commissions paid thereon from future commission payments due to the Consultant.

D. The Company's financial obligation to the Consultant shall be limited to payment of the aforesaid fees when due. The Consultant shall pay all costs and expenses of acting as the Company's representative and Consultant in the Territory, including the compensation of all persons employed by the Consultant, it being expressly understood that such persons shall be and remain the Consultant's employees, and not the Company's employees.

### III

#### TERM OF AGREEMENT

A. The term of this Agreement shall be for five (5) years beginning from the date of execution hereof; provided, however, that in the event that the annual sales volume of the Company's Data Processing Machines to the Territory does not exceed \$50,000,000.00 by the end of the third year of the Agreement, the Company may terminate the Agreement by giving written notice of such termination to the Consultant within (30) days of the termination of the three year period. This Agreement shall also be terminable by the Company at any time if Mr. Oztemel should cease to be actively engaged in the operations of the Consultant. If this Agreement shall be terminated under this paragraph, the Consultant shall continue to re-

ceive commissions thereafter on amounts received by the Company from the sale of the Company's Data Processing Machines to the Territory which the Consultant had negotiated during the term of the Agreement for a period of two (2) years from the date of such termination.

This Agreement may also be terminated forthwith by notice in writing by the Consultant or the Company in the event that either party shall be, or become, insolvent, or in the event that either party breaches any of the terms, provisions, or conditions of this Agreement.

#### IV

##### NATURE OF RELATIONSHIP

- A. The Consultant will not manage, advise or counsel any other person or company with respect to any products or processes which are the same as, or substantially similar to those of the Company during the term of this Agreement without the prior written consent of the Company. The Company recognizes the claims of prior clients of the Consultant with respect to competitive products, processes, and know-how.
- B. This Agreement does not authorize or empower the Consultant to conduct business in the name of or for the account of the Company. In addition, this Agreement shall not be deemed to create the relationship of partners, coadventurers, or of principal and agent between the Consultant and the Company. Neither party shall be liable for any act or omission of the other party vis a vis a third party or for any obligation or debt incurred by the other.
- C. The Consultant agrees to treat any and all processes, know-how or trade secrets of the Company as confidential, and shall not



divulge any such information to any person, corporation or governmental unit without the prior written consent of the Company.

D. The Consultant and the Company acknowledge that the services to be rendered by the Consultant under this Agreement are of a special, unique and extraordinary character and are necessary to carry out the intent and purpose of this Agreement. It is, therefore, specifically agreed that the Consultant will devote such time and attention as shall be reasonably necessary to perform the services required of the Consultant hereunder and to carry out the intent and purposes of this Agreement. The Consultant acknowledges that in view of the unique nature of this Agreement, it would be difficult or impossible for the Company to replace the services to be provided hereunder, and the Consultant agrees that if it violates any of the provisions of the Agreement, the Company in addition to any other rights and remedies it might have, shall be entitled to injunctive relief to restrain the Consultant from committing or continuing any such violation.

E. It is expressly understood by the parties hereto that neither party may assign its rights under this Agreement without the prior written consent of the other, which consent shall not be unreasonably withheld.

#### V

#### OPERATIVE AGREEMENT & GOVERNING LAW

A. The Company and the Consultant agree that they shall at all times in the performance of their obligations under this Agreement respect and comply with United States regulations affecting trade with the Territory.

X  
B. This Agreement contains the entire understanding between the parties and shall be deemed to be a New York contract subject to interpretation in accordance with the laws of the State of New York.

C. This Agreement shall not be altered, waived or modified in any respect without the written consent of the parties.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed on the day and date first above mentioned.

IBM WORLD TRADE CORPORATION

By 

SATRA CORPORATION

By 



**Plaintiff's Exhibit I**

**Document Entitled "Consultant and Financial  
Representation Agreement Between Satra Consultant  
Corporation and IBM World Trade Corporation"**

Def. Ex. A.A. 6/25/72-2.2.

CONSULTANT AND  
FINANCIAL REPRESENTATION AGREEMENT

between

SATRA CONSULTANT CORPORATION

and

IBM WORLD TRADE CORPORATION

IT IS AGREED THAT as of September 22, 1971, IBM WORLD TRADE CORPORATION of 821 United Nations Plaza, New York, New York 10017, hereinafter referred to as the "Company", appoints SATRA CONSULTANT CORPORATION, of 475 Park Avenue South, New York, N.Y. 10016, hereinafter referred to as the "Consultant", consultant and financial representative for the UNION OF SOVIET SOCIALIST REPUBLICS, hereinafter referred to as the "Territory", under the following terms and conditions:

I

FUNCTIONS OF THE PARTIES

A. The Consultant shall advise the Company on what action the Company should take in order to establish a long range sales program to the Territory for the Company's Data Processing Machines. "Data Processing Machines" shall mean IBM Data Processing Equipment and related supplies initially offered by the Company to its customers in the Territory as well as such additional Data Processing Equipment as the Company shall offer in the future.

PLAINTIFF'S  
EXHIBIT NO.  
I

The Company shall have the duty and responsibility of determining the sales policy for the Territory based upon the recommendations of the Consultant. The Consultant shall have the duty and responsibility of recommending the method of executing an approved program. The Company, and the Company alone, may in its sole discretion accept or reject any order received from or for the Territory.

B. The Consultant shall coordinate and assist the Company's representatives in their contacts with representatives and officials of appropriate organizations in the Territory delegated with the authority to deal in the same or similar products as those of the Company.

C. The Consultant shall provide such office space and administrative services as the Company may from time to time reasonably require.

D. The Consultant shall advise the Company regarding its activities in the Territory in matters where these activities may affect the Company's compliance with the laws and regulations of the Territory.

E. The Consultant shall assist Company personnel in obtaining satisfactory visas for entry into and departure from the Territory for the purpose of satisfying the Company's obligations to its customers in the Territory.



F. The Consultant shall generally assist the Company in its activities by advising (1) on the need for Data Processing Equipment in the Territory, (2) on governmental administrative practices, and (3) on local technical capability and resources.

G. The Consultant shall promote all of the Company's trademarks, if requested, and will promote the good will and name of the Company's products and processes throughout the Territory.

H. The Company shall require payment from its customers in the Territory in U.S. dollars or any other Western freely convertible currency. It shall be the Consultant's responsibility to negotiate with the appropriate government authorities in the Territory, and to enter for the Consultant's own account, any financial transactions, such as long term financing, barter, switch and other similar arrangements, which deviate from the Company's standard commercial practices for the sale of Data Processing Machines, whenever such negotiations and transactions are necessary for the sale of the Company's Data Processing Machines in the Territory.

I. To assist the Consultant in these endeavors the Company shall furnish the Consultant with published technical data, literature, advertising material and prices pertaining to the Company's Data Processing Machines. The Company further agrees to do everything reasonable and necessary on its part to insure a successful sales program including applying for appropriate export licenses, participating in all necessary negotiations taking place in the Territory, and preparing proposals with deliberate speed.

- 4 -

## II

FEE PAYABLE BY COMPANY

A. As consideration for the Consultant's services on the Company's behalf, the Company agrees to pay the Consultant a commission equal to 3 1/2% of the revenue, exclusive of amounts received for boxing, freight, insurance, export clearance, customs duty, other costs incidental to shipment to the Territory and taxes of whatever nature, on all orders for Data Processing Machines received and accepted by the Company or its Subsidiaries directly from the Trade Ministry, the Foreign Trade Corporations and the delegations of the Territory during the term of this Agreement, and whenever paid for by such Corporations.

B. Upon execution of this Agreement the Company shall advance a retainer to the Consultant of \$25,000.00, and ninety days thereafter an additional \$25,000.00. These advances shall be charged against future commissions. Six months from the date of execution of this Agreement, the need for further advances shall be reviewed by the Consultant and the Company in the light of sales results and the future outlook for sales.

C. The Company shall account to the Consultant monthly by the last day of the month for commissions earned by the Consultant during the preceding calendar month, which commissions shall be based upon actual orders paid for by customers during such preceding calendar month. Payment to the Consultant is to be in full of the commissions earned during the preceding calendar month in the currency received

- 5 -

Data Processing Machines. In the event any of the equipment on which commissions have been paid is later returned to the Company for credit, the Company shall deduct the amount of any commissions paid thereon from future commission payments due to the Consultant.

D. The Company's financial obligation to the Consultant shall be limited to payment of the aforesaid fees when due. The Consultant shall pay all costs and expenses of acting as the Company's representative and Consultant in the Territory, including the compensation of all persons employed by the Consultant, it being expressly understood that such persons shall be and remain the Consultant's employees, and not the Company's employees.

### III

#### TERM OF AGREEMENT

A. The term of this Agreement shall be for five (5) years beginning from the date of execution hereof; provided, however, that in the event that the annual sales volume of the Company's Data Processing Machines to the Territory does not exceed \$50,000,000.00 by the end of the third year of the Agreement, the Company may terminate the Agreement by giving written notice of such termination to the Consultant within (30) days of the termination of the three year period. This Agreement shall also be terminable by the Company at any time if Mr. Oztemel should cease to be actively engaged in the operations of either the Consultant or its parent SATRA Corporation.

If this Agreement shall be terminated under this paragraph, the



- 6 -

Consultant shall continue to receive commissions thereafter on amounts received by the Company from the sale of the Company's Data Processing Machines to the Territory which the Consultant had negotiated during the term of the Agreement for a period of two (2) years from the date of such termination.

This Agreement may also be terminated forthwith by notice in writing by the Consultant or the Company in the event that either party shall be, or become, insolvent, or in the event that either party breaches any of the terms, provisions, or conditions of this Agreement.

#### IV

##### NATURE OF RELATIONSHIP

A. The Consultant will not manage, advise or counsel any other person or company with respect to any products or processes which are the same as, or substantially similar to those of the Company during the term of this Agreement without the prior written consent of the Company. The Company recognizes the claims of prior clients of the Consultant with respect to competitive products, processes, and know-how.

B. This Agreement does not authorize or empower the Consultant to conduct business in the name of or for the account of the Company. In addition, this Agreement shall not be deemed to create the relationship of partners, coadventurers, or of principal and agent between the Consultant and the Company. Neither party shall be liable for any act or omission of the other party vis a vis a third party or for any obligation or debt incurred by the other.

- 7 -

divulge any such information to any person, corporation or governmental unit without the prior written consent of the Company.

D. The Consultant and the Company acknowledge that the services to be rendered by the Consultant under this Agreement are of a special, unique and extraordinary character and are necessary to carry out the intent and purpose of this Agreement. It is, therefore, specifically agreed that the Consultant will devote such time and attention as shall be reasonably necessary to perform the services required of the Consultant hereunder and to carry out the intent and purposes of this Agreement. The Consultant acknowledges that in view of the unique nature of this Agreement, it would be difficult or impossible for the Company to replace the services to be provided hereunder, and the Consultant agrees that if it violates any of the provisions of the Agreement, the Company in addition to any other rights and remedies it might have, shall be entitled to injunctive relief to restrain the Consultant from committing or continuing any such violation.

E. It is expressly understood by the parties hereto that neither party may assign its rights under this Agreement without the prior written consent of the other, which consent shall not be unreasonably withheld.

## V

OPERATIVE AGREEMENT & GOVERNING LAW

A. The Company and the Consultant agree that they shall at all times in the performance of their obligations under this Agreement

X

B. This Agreement contains the entire understanding between the parties and shall be deemed to be a New York contract subject to interpretation in accordance with the laws of the State of New York.

C. This Agreement shall not be altered, waived or modified in any respect without the written consent of the parties.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed on the day and date first above mentioned.

IBM WORLD TRADE CORPORATION

By  

SATRA CONSULTANT CORPORATION

By 



**Plaintiff's Exhibit J**

Untitled Document Dated "as of September 22, 1971"  
Signed by Satra Corporation Stating, *inter alia*, that  
Satra Corporation is the Owner and Holder of  
All of the Issued and Outstanding Stock of  
Satra Consultant Corporation

Dy. F4 BB

6/9/71  
4/11/71: 27

To induce IBM World Trade Corporation to enter into the foregoing Consultant and Financial Representation Agreement, Satra Corporation, with its principal place of business at 475 Park Avenue South, New York, N.Y., hereinafter called the "Guarantor", represents that the Guarantor is the owner and holder of all the issued and outstanding stock of Satra Consultant Corporation referred to in the foregoing Consultant Agreement. The Guarantor hereby guarantees to IBM World Trade Corporation, its successors and assigns, the performance by Satra Consultant Corporation of all of the terms on the part of Satra Consultant Corporation to be performed under the foregoing Consultant Agreement. Furthermore, the Guarantor agrees to make available the services of Mr. Ara Ozyemel in the operations of Satra Consultant Corporation in connection with the foregoing Consultant Agreement.

Dated as of September 22, 1971.

SATRA CORPORATION

By

Treasurer

PLAINTIFF'S  
EXHIBIT NO.

J

**Plaintiff's Exhibit K**

**Document Entitled "Supplemental Agreement Between  
Satra Consultant Corporation and IBM World Trade  
Corporation Modifying the Consultant and  
Financial Representation Agreement  
Made as of September 22, 1971"**



SUPPLEMENTAL AGREEMENT

between

E 37

SATRA CONSULTANT CORPORATION

and

IBM WORLD TRADE CORPORATION

Modifying the  
Consultant and Financial Representation Agreement  
made as of September 22, 1971

IBM WORLD TRADE CORPORATION, of 821 United Nations Plaza,  
New York, New York 10017, hereinafter referred to as the "Company", and  
SATRA CONSULTANT CORPORATION, of 475 Park Avenue South, New York,  
New York 10013, hereinafter referred to as the "Consultant", agree to  
supplement as of October 5, 1971 the Consultant and Financial Representation  
Agreement entered into by them as of September 22, 1971, as follows:

1. The Consultant and the Company shall additionally assume toward each other the same obligations with respect to the Company's Systems Engineering Services and Data Processing Education Services as they have undertaken with respect to Data Processing Machines.
2. The Consultant and the Company shall additionally assume toward each other the same obligations with respect to the Company's Office Products Equipment as they have undertaken with respect to Data Processing Machines except that the commission payable with respect to Office Products Equip-

PLAINTIFF'S  
EXHIBIT NO.

K

ment shall be equal to 7%.

3. "Office Products Equipment" shall mean electric typewriters, dictation equipment and such other products as shall be designated by the Company to be Office Products Equipment and initially offered by the Company to its customers in the Territory, as well as such additional Office Products Equipment as the Company shall designate in the future.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed as of the day and date first above mentioned.

IBM WORLD TRADE CORPORATION

By 

SATRA CONSULTANT CORPORATION

By 

E 39

**Plaintiff's Exhibit L**

**Document Entitled "Financial Agreement Between Satra  
Consultant Corporation and IBM World Trade  
Corporation", Executed December, 1973**



FINANCIAL AGREEMENT  
between  
SATRA CONSULTANT CORPORATION  
and  
IBM WORLD TRADE CORPORATION

E 40

WHEREAS, IBM WORLD TRADE CORPORATION, 821 United Nations Plaza, New York, New York 10017, hereinafter referred to as "World Trade", and SATRA CONSULTANT CORPORATION, 475 Park Avenue South, New York, New York 10016, hereinafter referred to as "SATRA", desire to terminate the Agreement between them dated September 22, 1971, as supplemented by the Supplemental Agreement between them dated October 5, 1971, having determined that said Agreement is not in their best business interests; and

WHEREAS, the future business of World Trade with the Union of Soviet Socialist Republics and organizations therein, hereinafter referred to as "Customer", has proved to be and is subject to multiple uncertainties; and

WHEREAS, there will be occasions when the Customer will be unable to pay World Trade entirely in United States Dollars or other freely convertible western currency; and

WHEREAS, World Trade will require financial arrangements which SATRA, and its President, Ara Oztemel, are able to provide;

NOW, THEREFORE, the parties do agree as follows:

1. The Agreement of September 22, 1971, as supplemented on October 5, 1971, is terminated and World Trade and SATRA relinquish any and all claims either may have against the other, subject to the provisions of Paragraph 2(b) of this Agreement.

PLAINTIFF'S  
EXHIBIT NO.

L

2. (a) SATRA will act as a financial consultant and provide administrative services to World Trade in its business with the Customer, and for this and other services more fully described in Paragraphs 4 and 5 of this Agreement, World Trade will pay SATRA a monthly sum of \$16,667 throughout the term of this Agreement.
- (b) In addition, World Trade will make a monthly advance to SATRA of \$9,350 from September, 1973 through December, 1976, inclusive, in anticipation of payments to be made to World Trade by the Customer under agreements between World Trade and the Customer signed prior to the date of this Agreement.
  - (i) Should World Trade fail to receive payment from the Customer, other than due to Customer's breach, SATRA will refund the accumulated advances to World Trade in December, 1976; if the Customer breaches, the amount of the refund will be in proportion to the percent of the unpaid payments of the Customer.
  - (ii) Notwithstanding any termination of this Agreement for any reason, the monthly advances of \$9,350 will continue, subject only to the adjustment pursuant to Paragraph 2(b)(i), if applicable.
3. Should the Customer, to ensure payment to World Trade, require financial arrangements (hereinafter "Arrangements"), including, but not limited to, long-term financing, factoring, currency exchange, barter, switch or other arrangements

which deviate from World Trade's standard commercial practices, World Trade will refer the Customer to SATRA to make such Arrangements. All such references, however, shall be subject to the Customer's prior approval.

4. In consideration of the sums to be paid by World Trade in Paragraph 2 above and the referrals by World Trade to SATRA in Paragraph 3 above, SATRA will provide the Arrangements required by the Customer or, alternatively, will use its best efforts to seek and obtain a third party to provide the necessary Arrangements to the Customer. World Trade reserves the right to reject any such third party and/or obtain a third party on its own or through other sources. However, World Trade will not unreasonably withhold its consent to the third party selected by SATRA and World Trade will only seek the services of a third party if SATRA cannot provide the required services or provide an acceptable third party to provide the necessary Arrangements.
5. SATRA will provide Arrangements only to the extent expressly requested by the Customer and will use its best efforts to encourage the maximum payment by the Customer to World Trade in United States Dollars or other freely convertible western currencies.
6. If SATRA elects to provide the Arrangements required by the Customer, World Trade will negotiate with SATRA a transaction fee to be paid for each transaction. If World Trade and SATRA are unable to agree to a mutually satisfactory fee, both parties will consult one or more reputable Western banks



to obtain advice as to what a reasonable fee for the particular transaction should be. If World Trade and SATRA are still unable to agree on a mutually satisfactory transaction fee, then the fee will be determined by arbitration in accordance with the rules, then obtaining, of the American Arbitration Association. The arbitration will be held in the City of New York at the end of 1976. Alternatively, if SATRA seeks and obtains a third party to provide the Arrangements required by the Customer, SATRA will negotiate, subject to World Trade's approval, the fee to be paid to said third party for such transaction on behalf of World Trade, except that World Trade reserves the right to negotiate the fee on its own or through other sources. Fees negotiated with third parties by SATRA on behalf of World Trade shall be subject to the same conditions as those applicable to fees negotiated with SATRA above. The fee paid by World Trade to SATRA, or alternatively to a third party, for Arrangements provided to the Customer shall be in addition to any sums paid by World Trade to SATRA pursuant to Paragraph 2 of this Agreement, and shall become due and payable when World Trade receives payment from the Customer unless otherwise agreed to by World Trade and SATRA.

7. SATRA may commit to Arrangements in excess of World Trade's sales to the Customer and allocate a portion of such Arrangements to World Trade with World Trade's prior written approval, provided, however, that in such event World Trade will pay SATRA transaction fees only with respect to that portion of the Arrangements so allocated to World Trade.

8. Transaction fees charged or negotiated by SATRA for Arrangements provided to World Trade pursuant to Paragraph 6 shall be competitive with those charged by other sources for providing comparable Arrangements.
9. SATRA will not provide Arrangements for, or otherwise manage, advise or counsel, during the term of this Agreement, any person, company or organization other than World Trade with respect to any products, services, processes or technical information, which are the same as, or substantially similar to, those offered by World Trade, except with the prior written consent of World Trade.
10. This Agreement shall not be interpreted as making either party the agent of the other.
11. The terms and conditions of this Agreement constitute the entire Agreement between the parties as to the matters to which its provisions relate and it shall not be amended, except by a writing signed by both of them.
12. Neither party may assign any of its rights or duties under this Agreement without the prior, written consent of the other.
13. The terms and conditions of this Agreement, and any claims arising hereunder, shall be interpreted in accordance with the law of the State of New York.
14. Subject to Paragraph 15, each party will decide whether this Agreement continues to be in its best interests and may terminate this Agreement on any February 1, beginning February 1, 1977. Written notice of such termination must be delivered

not less than ninety (90) days prior to such termination date.

15. (a) Should either party become insolvent or breach any of the terms of this Agreement, the other party may terminate by giving written notice thereof. The termination will be effective as of the date of mailing.
- (b) Ara Oztemel is the President and Chief Executive Officer of SATRA Corporation, the parent company of SATRA Consultant Corporation. It is expressly agreed between the parties and is a condition to the performance by World Trade of its obligations hereunder that Ara Oztemel will provide World Trade with his unique services. Therefore, World Trade may terminate this Agreement immediately if any one of these events occurs:
- (i) Ara Oztemel ceases to be the President or Chief Executive Officer of SATRA Corporation;  
or
  - (ii) SATRA Corporation ceases to be the parent company of SATRA Consultant Corporation; or
  - (iii) Ara Oztemel ceases to be actively engaged in the operations of either the Consultant or its parent, SATRA Corporation.
16. The termination of this Agreement shall not affect any right of action or claim by either party in existence at the date of termination, particularly as to any transaction fees negotiated and not yet paid to SATRA under Paragraph 6 hereof, provided, however, that should SATRA commit to Arrangements in excess of World Trade's sales to the Customer,



upon termination SATRA shall use its best efforts to mitigate World Trade's obligation to pay SATRA transaction fees by reallocating to other SATRA clients Arrangements previously allocated to World Trade. Should SATRA commit to provide Arrangements to the Customer that extend beyond December 31, 1976, World Trade shall pay transaction fees to SATRA for such Arrangements, but only to the extent that World Trade has previously agreed thereto in writing.

17. This Agreement shall be deemed effective as of September 1, 1973.

SATRA CONSULTANT CORPORATION

By *B. Kellam*

Date 12/4/73

IBM WORLD TRADE CORPORATION

By *B. Kellam*

Date Dec. 3 1973

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Plaintiff's Exhibit X  
Document Entitled "Draft, Agreement",  
Dated September 3, 1971

D R A F T

9/3/71

AGREEMENT

WHEREAS, Satra Corporation, 475 Park Avenue South, New York, New York 10016, (hereinafter called "Satra"), and its subsidiary companies are engaged in trade both as principal and as broker with the several trade agencies of the Soviet Union, and

WHEREAS, Marvin Stern, of (hereinafter called "Stern") has been active and instrumental in presenting the possibility that Satra or its subsidiaries may represent International Business Machines Corporation (hereinafter called "IBM") and Stromberg-Carlson (hereinafter called "Stromberg") in trade with the several trade agencies of the Soviet Union, and

WHEREAS, Satra and Stern wish to formalize their understanding with respect to the compensation to be paid Stern by Satra should Satra enter into agreement with either IBM or Stromberg,

PLAINTIFF'S  
EXHIBIT NO.

X

ORIGINAL

PAUL FROMM, C.S.R.

PLF. \_\_\_\_\_  
DEPT. EXH. \_\_\_\_\_ ID.

DATE 5/8



NOW, THEREFORE, it is hereby agreed that

I

Stern shall be entitled to the following compensation from Satra:

A. An amount equal to 50 per cent of any gross retainers (without deduction of any kind) received by Satra pursuant to any agreement by and between Satra and either IBM or Stromberg, ~~during the initial term of any such agreement, as amended for any reason other than its terms.~~

B. An amount equal to 50 per cent of all gross commission receipts (Receipts) received by Satra pursuant to any agreement with either IBM or Stromberg after there ~~has~~ <sup>have</sup> been deducted therefrom ~~only any~~ <sup>The agreed</sup> expenses by Satra, on a cumulative annual basis, as per attached Schedule A.

The compensation provided for by this Paragraph "B" shall be paid Stern on a quarterly basis, after there ~~has~~ <sup>have</sup> been deducted from the receipts all accrued prior unpaid expenses <sup>from the date of this agreement to</sup> ~~between~~ the end of the agreement year in which the receipts are received by Satra based on annual minimum expenses of \$100,000 <sup>as per attached Schedule A.</sup> Any expenses accruable by virtue of the attached Schedule A, arising as a result of annual receipts being in excess of \$250,000, shall be deducted from

such receipts on a quarterly basis pro rata during the course of the year <sup>in which</sup> the receipts are received.

## II

The initial term of this agreement shall be for the length of any agreement entered into by and between Satra and IBM or Stromberg, as amended for any reason other than its term, <sup>than its</sup>

This agreement shall ~~be deemed to continue~~ <sup>beyond its initial</sup> for the <sup>Term</sup> renewal term of <sup>any such</sup> the agreement between Satra and IBM and Stromberg, provided Stern devotes such time as may be necessary to service such agreements during <sup>such</sup> any renewal term.

## III

All expenses incurred by virtue of any agreement between Satra and IBM or Stromberg shall be paid by Satra. Not included in such expenses required to be paid by Satra shall be any amounts attributable to Stern commuting between Los Angeles and New York. Any ~~such~~ expenses paid by Satra shall not be recoupable by Satra from the receipts, but shall be deemed to be paid by the expenses as provided for in the attached Schedule A.

Satra shall not reimburse Stern for any foreign travel expense <sup>s</sup> incurred by him in connection with the IBM or Stromberg agreements, unless such travel has been approved in advance by Satra.

## IV

Satra shall be the sole judge if any additional personnel need to be hired pursuant to the agreement, and the choice and supervision of such personnel shall also be the sole responsibility of Satra.

## V

? Stern agrees that during the term of this agreement, and for twelve months thereafter, he will neither compete with, nor engage in, any activities which are competitive with the business of Satra.

## VI

The agreement contains the entire understanding with respect to compensation to be earned by Stern from his relationship with Satra or its subsidiaries.

Any further relationship, other than that envisaged by this agreement, shall be made the subject of a separate agreement between Satra and Stern.



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**Plaintiff's Exhibit Z**  
**Undated Document Entitled "Draft, Agreement"**

Defendants' Citation  
2/18/72  
LL

D R A F T

AGREEMENT

WHEREAS, Satra Corporation, 475 Park Avenue South, New York, New York 10016, (hereinafter called "Satra"), and its subsidiary companies are engaged in trade both as principal and as broker with the several trade agencies of the Soviet Union, and

WHEREAS, Marvin Stern, of (hereinafter called "Stern") has been active and instrumental in presenting the possibility that Satra or its subsidiaries may represent International Business Machines Corporation (hereinafter called "IBM") and Stromberg-Carlson (hereinafter called "Stromberg") in trade with the several <sup>trade</sup> agencies of the Soviet Union, and

WHEREAS, Satra and Stern wish to formalize their understanding with respect to the compensation to be paid Stern by Satra should Satra enter into agreement with either IBM or Stromberg,

"Joint Venture"  
we find!

Distribution of revenue between

PLAINTIFF'S  
EXHIBIT NO. Z

NOW, THEREFORE, it is hereby agreed that

I

Stern shall be entitled to the following compensation from Satra:

A. An amount equal to 50 per cent of any gross retainers (without deduction of any kind) received by Satra pursuant to any agreement by and between Satra and either IBM or Stromberg, ~~during the initial term of any such agreement, as amended for any reason other than its terms.~~

B. An amount equal to 50 per cent of all gross commission receipts (Receipts) received by Satra pursuant to any agreement with either IBM or Stromberg after there ~~has~~ <sup>have</sup> been deducted therefrom ~~only any~~ <sup>The agreed</sup> expenses by Satra, on a cumulative annual basis, as per attached Schedule A.

The compensation provided for by this Paragraph "B" shall be paid Stern on a quarterly basis, after there ~~has~~ <sup>have</sup> been deducted from the receipts all accrued prior unpaid expenses <sup>from the date of this agreement to</sup> the end of the agreement year in which the receipts are received by Satra based on annual minimum expenses of \$100,000 <sup>as per attached Schedule A.</sup> Any expenses accruable by virtue of the attached Schedule A, arising as a result of annual receipts being in excess of \$250,000, shall be deducted from



such receipts on a quarterly basis pro rata during the course of the year <sup>in which</sup> the receipts are received.

## II

The initial term of this agreement shall be for the length of any agreement entered into by and between Satra and IBM or Stromberg, as amended for any reason other than its term,

This agreement shall ~~be deemed to continue~~ <sup>beyond its initial term</sup> for the renewal term of <sup>any such</sup> the agreement between Satra and IBM and Stromberg, provided Stern devotes such time as may be necessary to service such agreements during any <sup>such</sup> renewal term.

## III

(both Stern & Satra)

All expenses incurred by virtue of any agreement between Satra and IBM or Stromberg shall be paid by Satra. Not included in such expenses required to be paid by Satra shall be any amounts attributable to Stern commuting between Los Angeles and New York. Any ~~such~~ expenses paid by Satra shall not be recoupable by Satra from the receipts, but shall be deemed to be paid by the expenses as provided for in the attached Schedule A.

Satra shall not reimburse Stern for any foreign travel expense incurred by him in connection with the IBM or Stromberg agreements, unless such travel has been approved in advance by Satra.

## IV

2  
Satra shall be the sole judge if any additional personnel need to be hired pursuant to the agreement, and the choice and supervision of such personnel shall also be the sole responsibility of Satra.

## V

X  
Stern agrees that during the term of this agreement, and for twelve months thereafter, he will neither compete with, nor engage in, any activities which are competitive with the business of Satra.

## VI

non-symmetric  
✓  
The agreement contains the entire understanding with respect to compensation to be earned by Stern from his relationship with Satra or its subsidiaries.

Any further relationship, other than that envisaged by this agreement, shall be made the subject of a separate agreement between Satra and Stern.

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**Plaintiff's Exhibit JJ**

**Document Entitled "TO: Mr. B. H. Witham,  
SUBJECT: SATRA Corporation",  
Dated September 8, 1971**



September 8, 1971

TO: Mr. B. H. Witham  
SUBJECT: SATRA Corporation

On September 3, Ralph and I talked to officials of the above company about the services which they could provide for us.

These could consist of two types: General services that we would require, irrespective of specific orders, and specific services of a financial nature, similar to the ones for which a need has been identified in the Eastern Bloc countries.

The first type of services comprise the following:

- Visas and travel.
- Moscow office facilities.
- Arrange appointments.
- Supply information on need for computers and foreign exchange availability.
- Advice on governmental administrative practices.
- Advice on local technical capability.
- Introduction to appropriate governmental officials and advice on protocol.

They will recommend a fee for the above services. Gil Jones suggested this morning that Ralph review these services with Ambassador Thompson in Washington.

The SATRA officials also stated that their normal practice with American companies is to conclude a five-year contract with a cut-off after three years, if the volume should be less than a specified amount. Ralph and I were neutral on this point.

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AMA  
Vip  
6/2/72

PLAINTIFF'S  
EXHIBIT NO.  
J.T

Mr. B. H. Witham

-2-

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September 8, 1971

The financial services related to individual orders might be of particular benefit to us. They may encompass not only barter type arrangements, but also a general umbrella against the customary demand for reciprocal trade. SATRA imports close to \$100,000,000 of Russian goods into the United States each year. They appear willing to use this argument in any forthcoming negotiations.

K. J. *[Signature]* Hendricks

/s

cc: Mr. R. R. Stafford

*[Handwritten notes]*  
v  
-v-  
A  
M  
11/27

**Plaintiff's Exhibit KK**

**Document on the Stationery of Satra Consultant  
Corporation Entitled "MEMORANDUM, TO:  
Dr. Marvin Stern, FROM: James Henry Giffen,  
RE: Proposed Relationship with IBM",  
Dated September 9, 1971**



## MEMORANDUM

September 9, 1971

TO: Dr. Marvin Stern  
FROM: James Henry Giffen  
RE: Proposed relationship with IBM

Marvin,

We have considered our proposed relationship with IBM and have decided to make the following offer based upon our discussions with Mr. Hendricks and Mr. Stafford in Mr. Oztemel's offices on Friday, September 3, 1971

A. Services requested by IBM to be rendered by Satra.

- 1.) Visas and travel
- 2.) Office facilities in Moscow
- 3.) Arranging of appointments in Moscow
- 4.) Market information regarding IBM's possibilities in the Soviet market
- 5.) Advice and lectures on the trade process
- 6.) Introduction to appropriate government officials
- 7.) Advice on protocol

B. Financial assistance requested by IBM to be rendered by Satra.

- 1.) Influence large purchases of IBM products through Satra's purchase of Soviet products.
- 2.) Barter, switch transactions, clearing funds or other unique financial arrangement, advice and participation, when necessary.

C. Retainer required by Satra for services rendered by IBM.

- 1.) \$100,000 per year based upon working with one man (Mr. Stafford) in the USSR.
- 2.) Thereafter, for any additional IBM men, the cost of Satra's assistance will approximately equal IBM's own expense according to the following schedule:

(cont'd.)

PLAINTIFF'S  
EXHIBIT NO.  
KK

MEMORANDUM to Dr. Marvin Stern  
September 9, 1971  
Page Two

- a.) 2 - 3 men           \$200,000 per year
- b.) 4 - 6 men           \$300,000 per year

D. Finance Fee payable to Satra for financial assistance.

- 1.) A financial fee based on the net selling price (exclusive of boxing, freight, insurance, cost of export clearance and other costs incidental to shipment to the USSR) equal to four percent on all orders received and accepted by IBM during the term of the agreement.

E. Term and Payment

- 1.) The term of the agreement shall be for five years.
- 2.) Payment of the retainer shall be quarterly beginning on the date of execution of the agreement.
- 3.) Payment of the finance commission shall be within thirty (30) days of receipt by IBM of any sums collected from the sale or lease of any products or processes to the USSR.

F. Condition and Termination

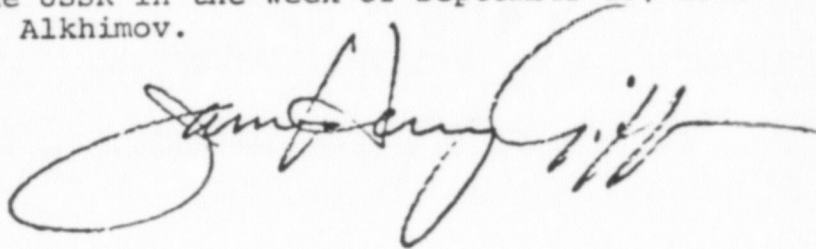
IBM would reserve the right to terminate the agreement within 90 days of the execution of the agreement if and only if it does not receive a direct communication from Mr. V. I. Alkhimov, Vice Minister of Foreign Trade of the USSR in charge of finance and currency, that:

- a.) IBM will be able to sell its products and processes to the USSR providing that agreement is reached on all technical and commercial matters.
- b.) The volume of purchases of products and processes which are the same as or similar to IBM's by the USSR will be large over the next five-year period. It is understood that IBM is looking for sales in excess of \$30 million per year.
- c.) Satra Corporation is acceptable to the USSR in helping IBM to establish long-term commercial relations.

(cont'd.)

MEMORANDUM to Dr. Martin Stern  
September 9, 1971  
Page Three

We would propose that Satra Corporation and IBM enter into a letter of agreement, dated September 15, 1971, containing the points noted above. We also propose that Mr. Stafford or anyone else IBM deems appropriate accompanies Mr. Oztemel and myself to the USSR in the week of September 19, 1971 to meet with Mr. Alkhimov.

A large, stylized handwritten signature in dark ink, likely belonging to JHG, is written over the text. The signature is fluid and cursive, with a large loop at the beginning and a long, sweeping tail.

JHG:hi



E 64

**Plaintiff's Exhibit MM**

**Document on the Letterhead of IBM World Trade  
Corporation to "Mr. J. H. Giff n, Corporate  
Vice President, Satra Corporation",  
Dated September 17, 1971**

*IBM World Trade Corporation* 821 United Nations Plaza, New York, N.Y. 10017

Office of the Vice President

September 17, 1971

Mr. J. H. Giffen, Corporate Vice President  
SATRA Corporation  
475 Park Avenue South  
New York, New York

Dear Mr. Giffen:

We are pleased to confirm our agreement to the following terms under which you will provide to us certain consulting and financial services related to our projected activities in the USSR. In addition to providing marketing and administrative services, you will negotiate with the appropriate governmental authorities in the USSR and enter for your own account any financial transactions, such as long-term financing, barter, switch and other similar arrangements which deviate from our standard commercial practices whenever such negotiations and transactions are necessary for the sale of our products in the USSR.

In consideration for your services, we agree to pay you a commission equal to 3.5% of Data Processing equipment revenue resulting from sales which are effected by IBM World Trade Corporation or any of our subsidiaries directly to the respective foreign trade corporations of the USSR. These commissions will be payable within thirty days from the date on which we receive payment from the respective USSR agencies. Therefore, if we sell some of our machines on an installment payment basis, we will pay commissions to you as we get paid. We will require payment from the USSR in U. S. dollars or any other Western freely convertible currency. We will pay commissions to you in the same currency.

The term of the agreement between our two companies will be five years but it will be terminable by us if our annual sales volume to the USSR by the end of the third year of this agreement has not reached a minimum of fifty million dollars. It will also be terminable by us at any time, if Mr. Oztemel should cease to be actively engaged in your operations.

PLAINTIFF'S  
EXHIBIT NO.  
MM

OZTEMEL

PAUL FROMM, C.S.R.

P.L.P. 7 ID.  
DEPT. ENL.....

DATE 9-17-71

Mr. J. F. Giffen

-2-

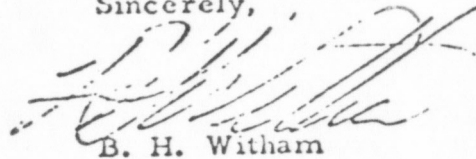
September 17, 1971

The above terms are to be incorporated in a CONSULTANT AND FINANCIAL REPRESENTATION AGREEMENT to be executed next week. Upon signature of that agreement, we will advance to you \$25,000 and ninety days thereafter, an additional \$25,000. These advances will be charged against future commissions. Six months from the date on which that agreement is signed, the need for further advances will be reviewed by our two companies in the light of sales results and the future outlook for sales.

I have asked our legal counsel to contact you or your representative next week for the purpose of bringing this matter to a conclusion.

We are looking forward to working with you in the years to come.

Sincerely,



B. H. Witham

/s



E 67

**Plaintiff's Exhibit RR**

**Document on the Letterhead of IBM World Trade  
Corporation Entitled "TO: G. E. Jones,  
SUBJECT: Trip Report—Moscow—  
September 27-29, 1971"**

TO: G. E. Jones

SUBJECT: Trip Report - Moscow - September 27-29, 1971

I met with the following Soviet officials:

V. I. ALKHIIMOV, Vice Minister of Foreign Trade  
(Finance and Current)

N. D. KOMAROV, Vice Minister of Foreign Trade  
(All Machinery Imports)

D. V. GVISHIANI, Vice Chairman, State Committee  
for Science and Technology

A. A. BUTKO, President AVTOMPROMIMPORT  
(the Foreign Trade Corporation in charge of  
all purchases for the KAMA River project,  
including computers)

V. N. SUSHKOV, Chief of Main Administration for  
Imports of Machinery and Equipment from  
Capitalist Countries, Ministry of Foreign Trade

V. F. KLIMOV, Vice President, ELECTRONORGTEKHNIKA  
(the Foreign Trade Corporation responsible for  
purchase of computers and office equipment which  
are not part of integral plant purchases)

PLAINTIFF'S  
EXHIBIT NO.  
RR

During the meetings a number of other officials subordinate to the  
above also were present.

Highlights of the meetings were the following:

1. I have in my possession a Request for Quote for complete  
automation of the KAMA River truck plant. While it is difficult  
to make any estimate of the value of this RFQ, it should be  
upwards of 1 million points not including Systems Management,

PAUL FROMM, C.S.R.

PLF.  
EXH. 38 ID.

DATE

8-23-72

con't.

2. I have in my possession a Request for Quote for one 370/145 System from ELECTRONORGTECHNIKA. Vice Minister Komarov, who handed this RFQ to me, stated that it will serve as a basis for a number of imminent subsequent orders. Our offer is expected to be completed prior to the close of the Leningrad Fair. I assume they will wish to sign the contract for this system in Leningrad.

...3. The Foreign Trade Ministry officials, as well as Mr. Gvishiani, stated that all the equipment which we are exhibiting at the Leningrad Fair will be purchased.

4. Vice Minister Alkhimov is very pleased with IBM's invitation and excuses himself for not having as yet answered your letter. However, he will not be able to give us a definite schedule until October 4. Reason for the delay given by the Vice Minister is the fact that his schedule conflicted with that of the President of the Foreign Trade Bank who will also join him on his U.S. trip. Mr. Alkhimov's latest estimate is that he will come to the U.S. during the second half of October. He has also received official invitations from the Messrs. Stans and Scott of the U.S. Department of Commerce, Mr. Kearns of the Export-Import Bank as well as the management of several sizeable U.S. companies. He will be delighted to meet with you during his visit.

I have advised Mr. Alkhimov today (through SATRA - Moscow) of your availability dates in October as you gave them to me - up to the 26th).

Inasmuch as Mr. Sushkov is a key decision-maker in the Ministry of Foreign Trade (and much more competent than Vice Minister Komarov to whom he reports), I sent the attached invitation cable today upon the advice of the Messrs. Oztemel and Giffen of SATRA.

5. Mr. Gvishiani has cancelled his visit to West Germany and has postponed the visit of his delegation until the second half of

2000



November. He does, however, plan to be in Paris from November 1-15 and would be delighted to meet with you there should it be possible for you to be in Europe at that time.

6. Unofficially (off-the-record on the part of Mr. Pirogov of the State Committee - whom you have met), I received an inquiry as to whether we would be interested in offering "used" 360 Systems for sale. I stated that we had never done so before but may entertain an RFQ. Based on the latter the Bloc Sales Plan may have a chance.
7. I was extremely well received by all of the officials with whom I met with the possible exception of ELECTRONORGTECHNIKA who acted in the typical manner of a Socialist Foreign Trade Corporation. It is my opinion that they will be difficult to deal with. However, since the SATRA relations with high officials of the Ministry of Foreign Trade are excellent, I do not anticipate that these difficulties will hurt our business.
8. Also unofficially, Mr. Pirogov informed me that we will receive a Request for Quote for purchase of a complete plant to produce selectric typewriters. Mr. Pirogov gave me this information before I met with Mr. Gvishiani. I advised him that I am not competent to discuss this type of request. Mr. Gvishiani accordingly did not bring it up but will undoubtedly do so when he meets with you.
9. All the officials with whom I met verified that the Soviet authorities are prepared to do business with us in the same manner to which we have been accustomed in Eastern Europe. I got the general feeling that they are rather disenchanted with ICL. All of them were quite shocked by the RCA news and accordingly appear to be delighted that IBM has appeared on the scene.
10. Mr. Gvishiani has requested that we conduct a private IBM exhibition and seminar in Moscow during 1972 as a cooperative effort with the State Committee for Science and Technology. The equipment which we will exhibit will be purchased and installed in a central agency to allow top Soviet specialists to acquaint themselves with the capabilities of IBM systems. Mr. Gvishiani also offered full-scale assistance on the part of the State Committee for Science and Technology in conjunction with the introduction of IBM equipment in the Soviet Union.
11. ELECTRONORGTECHNIKA has now been given responsibility for all office equipment, including typewriters, dictating and MGP equipment.

Wm  
ATA  
PPV  
1/2/72

12. SATRA enjoys an excellent reputation in Moscow, has top connections, an IBM-type of staff (there were upwards of 10 SATRA people in Moscow during my stay all of whom made an excellent impression). The Messrs. Giffen (Vice President) and Stern (Senior Consultant) joined me during all my calls and were extremely helpful. I feel it is essential that Mr. Giffen be enrolled in an IBM Executive School to familiarize himself with IBM equipment on a general basis, and Dr. Stern be enrolled in more detailed IBM courses as he will be very helpful in the Systems Management aspects of the KAMA River and similar projects.

R. R. Stafford

RRS/hs

Encl.

cc: M. B. H. Witham

bc: Mr. K. J. Hendricks

**Plaintiff's Exhibit XX**  
**Unexecuted, Undated Document Entitled "Agreement"**  
**Between Satra Corporation, Satra Consultant**  
**Corporation and Dr. Marvin Stern**



A G R E E M E N T

Made this            day of            , 1971, by and between SATRA CORPORATION, a New York corporation having its principal place of business at 475 Park Avenue South, New York, New York (hereinafter referred to as "Satra") and SATRA CONSULTANT CORPORATION, a New York corporation also having its principal place of business at 475 Park Avenue South, New York, New York (hereinafter referred to as "Consultant"), on the one hand, and DR. MARVIN STERN, of Los Angeles, California (hereinafter referred to as "Stern"), on the other hand.

WHEREAS, Satra and its subsidiary or affiliated companies are engaged in trade both as principal and as broker with the several agencies of the Union of Soviet Socialist Republics (hereinafter referred to as "U.S.S.R."); and

WHEREAS, Satra is the owner and possessor of all the issued and outstanding shares of stock of Consultant; and

WHEREAS, Consultant entered into an Agreement dated September 22, 1971 with IBM World Trade Corporation of 321 United Nations Plaza, New York, New York (hereinafter referred to as "IBM") which Agreement was modified by a supplemental Agreement between the said parties dated October 5, 1971 (hereinafter singly or collectively referred to as "the IBM Agreement or Agreements"); and

WHEREAS, Satra by further Agreement dated September 22, 1971, guaranteed to IBM the performance by Consultant of all its obligations to IBM pursuant to the IBM Agreement of the same date; and

WHEREAS, the IBM Agreements provide for the advising and assisting of IBM by Consultant for the purpose of consummating a long-range sales program in the U.S.S.R. by IBM of its Data

PLAINTIFF'S  
EXHIBIT NO.

XX

PAUL FROMM, C.S.R.

DET. EXH. ID.

DATE

Processing Machines, Systems Engineering Services, Data Processing Education Services and Office Products Equipment, as such products are defined therein; and

WHEREAS, Consultant is entitled to receive a commission from IBM, in the amount and subject to the conditions specified in the IBM Agreements, as consideration for Consultant's services thereunder; and

WHEREAS, Stern was instrumental in introducing Consultant and IBM to one another and in inducing both parties to enter into the IBM Agreements and in advising both Consultant and IBM as to the needs of the U.S.S.R. for data processing and other similar equipment and as to the technical capability and resources of the U.S.S.R.; and

WHEREAS, Consultant and Stern wish to provide for Stern's share of the commissions to be paid by IBM to Consultant as aforementioned as compensation for Stern's aforesaid activities.

NOW, THEREFORE, it is hereby agreed as follows:

I

STERN'S SHARE

A. (1) Consultant shall pay over to Stern an amount equal to fifty (50) percent of any advance against commissions, whether denominated a retainer or otherwise, which Consultant may receive pursuant to the IBM Agreements. Consultant shall make no deductions of any kind whatsoever as against said advance or advances, and in no event shall said advance or advances be repayable or refundable by Stern to Consultant.

(2) Consultant hereby acknowledges that upon execution of the IBM Agreement dated September 22, 1971, it received from IBM the sum of Twenty-Five Thousand (\$25,000.00) Dollars as part of an advance retainer provided for in the said IBM Agreement.

(3) Stern hereby acknowledges receipt of the sum of Twelve Thousand Five Hundred (\$12,500.00) Dollars from Consultant as Stern's share of the aforesaid advance retainer paid by IBM to Consultant.

B. (1) Consultant shall pay over to Stern an amount equal to 50% of the net commissions hereinafter defined. "Net Commissions" shall mean all gross commissions received by Consultant from IBM pursuant to the IBM Agreements less the following amounts which shall represent the agreed allowance for Consultant's expenses:

- 40 percent of first \$250,000.00 of commissions
- 20 percent of next \$250,000.00 of commissions
- 10 percent of next \$250,000.00 of commissions
- 6 percent of next \$250,000.00 of commissions
- 1 percent of next \$1,000,000.00 of commissions
- 1 percent of each \$1,000,000.00 thereafter

The foregoing allowance for Consultant's expenses shall be computed on an annual basis and not on a total cumulative basis, such annual basis to commence on January 1 of each year in which Consultant may receive said commissions.

No further or other expenses of any kind whatsoever shall be deducted by Consultant from the commissions received by it from IBM in determining the payments due to Stern hereunder.

(2) Consultant shall reimburse Stern for any expenses which Stern may have incurred on or after September 1, 1971, or which Stern may hereinafter incur in the furtherance of Consultant's services to IBM pursuant to the IBM Agreements provided, however, that any expenses for travel outside the United States shall have been approved by Consultant in advance thereof. Such reimbursable expenses shall not include any amounts attributable



to Stern's commuting between his home in Los Angeles, California, and New York, New York. It is the express intention of the parties that any such expenses reimbursed by Consultant to Stern shall be recouped by Consultant in its allowance for expenses provided hereunder as a deduction against commissions received by Consultant from IBM, and that Stern shall in no way be obligated to refund any portion whatsoever of said reimbursed expenses even in the event said reimbursed expenses shall exceed Consultant's allowance for expenses in any given year in which Consultant may receive commissions from IBM.

C. Consultant agrees to provide Stern with a photostatic copy of any monthly or other account of commissions earned which it may receive from IBM pursuant to the IBM Agreements, such copy to be furnished Stern within five (5) business days after receipt of the original by Consultant. Stern or his agents shall have the right to inspect and audit the books and records of Consultant upon reasonable notice, and such inspection and audit shall be at Stern's expense.

D. Consultant agrees that any and all sums due and owing to Stern hereunder shall be impressed with a trust in favor of Stern, and Consultant declares itself trustee of any such sums, it being the express intention of the parties that Stern not be deemed a general creditor of Consultant.

E. Consultant shall deposit all sums received by IBM in a special account denominated appropriately so as to indicate the source of the sums received. Consultant shall furnish Stern with a photostatic copy of the monthly bank statement of said special account within five (5) business days of its receipt by Consultant.

F. Consultant shall pay over the sums due and owing to Stern hereunder on the first day of each quarter of the calendar year, payment to be made by check drawn against the special account provided in the preceding paragraph herein. In the event Stern

shall be deceased prior to the termination of this Agreement or to such time as Consultant shall no longer be entitled to receive commissions from IBM pursuant to the IBM Agreements, Consultant shall pay over the said sums to the legal representative of Stern's estate.

## II

### TERM OF AGREEMENT

A. This Agreement shall be for a term of years co-extensive with the term of the IBM Agreements.

B. For purposes of this Agreement, the phrase "IBM Agreements" shall include any modifications, supplements, extensions, or renewals thereof.

## III

### RELATIONSHIP OF PARTIES

A. Stern is an independent entrepreneur, and shall not be deemed an employee, agent, partner, contractor or sub-contractor of Consultant or of Satra.

B. For the term of this Agreement, Stern, as long as he is not physically or mentally disabled, will continue to use his best efforts to aid and assist Consultant to the maximum extent possible to develop IBM's sales program in the U.S.S.R. for its products heretofore described, Consultant and Stern both expressly recognizing that each of them financially benefit from the increased commissions generated by such IBM sales. Stern's share of the commissions, as provided in Part I herein, shall not be reduced or altered in any manner should Stern be disabled or die during the term of this Agreement or thereafter but during such time as Consultant shall still be entitled to receive commissions from IBM pursuant to the IBM Agreements. Consultant agrees that it will for the term of this Agreement make available the services of its principal officer and employee, Ara Oxtomel, who likewise shall use his best efforts to promote the said IBM sales in the U.S.S.R.

C. For the term of this Agreement, Stern agrees to forego or relinquish any other opportunity he may be afforded to introduce IBM to any other company, entity or person engaged in trade with the U.S.S.R., as principal or broker, for the purpose of promoting or fostering the sale in the U.S.S.R. of IBM's products as defined in the IBM Agreements. In the event, however, that Ara Oztemel shall cease to be actively engaged in the operations of Consultant for a period of three months, Stern shall be relieved of the aforementioned obligation to forego or relinquish any other such opportunity.

D. Satra agrees that it is jointly and severally liable for all obligations incurred by Consultant hereunder.

#### IV

##### GENERAL TERMS

A. This Agreement shall supercede any and all other prior agreements of the parties hereto, whether oral or written, and it contains the entire understanding of the parties.

B. This Agreement shall be deemed a New York contract subject to interpretation and enforcement in accordance with the laws of the State of New York.

C. This Agreement shall be binding on the heirs, assigns or successors in interest of the parties hereto.

D. This Agreement shall not be altered, waived or modified in any respect without the written consent of all of the parties.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the day and date first above mentioned.

SATRA CORPORATION

BY: \_\_\_\_\_  
ARA OZTEMEL, President

SATRA CONSULTANT CORPORATION

BY: \_\_\_\_\_  
ARA OZTEMEL, President



E 79

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DR. MARVIN STERN

E 80

**Plaintiff's Exhibit UUU**

**Copy of Article from German Magazine Entitled  
"DER SPIEGEL, 26. Juli 1971"**

# PLAINTIFF'S EXHIBIT NO. 000

## OSTHANDEL

### Graue Eminenzen

In den deutschen Osthandel schalten sich zunehmend ausländische Vermittler ein.

An Hamburgs Ballindamm, dort wo hanseatische Reeder und Exporteure ihre feinsten Kontore unterhalten, eröffnet in diesem Monat ein Amerikaner seine Büroräume: Ara Oztemel, gebürtiger Türke und Inhaber der New Yorker Handels- und Consultingfirma Satra Corporation, will den Deutschen den Weg gen Osten ebnen.

Der „Pferdehändler von höchstem Niveau“ („Business Week“) kann seinen Klienten eine überzeugende Bilanz vorweisen. Gegen die Konkurrenz von Daimler-Benz, Renault und Fiat holte er für die US-Wirtschaft einen russischen Prestige-Auftrag herein: Nach Oztemels Eingreifen wurde völlig überraschend das Unternehmen Mack Trucks mit dem Bau einer riesigen Lkw-Fabrik an der Kama beauftragt.

Auch das Hamburger Anbahnungsbüro verspricht Profit. Denn obgleich westdeutsche Industriewaren im Ost-

block begehrt und Unternehmer aus der Bundesrepublik in Moskau gern gesehene Gäste sind, hat sich eine Vielzahl von Ausländern in das westdeutsche Ost-Geschäft einschalten können.

So besitzt seit über zehn Jahren die Wiener Handelsfirma Gertner KG in Köln eine Verkaufsniederlassung und managt die Geschäfte zwischen Deutschen und Russen. Die Brüder Danek und Marian Gertner, Eigner des Wiener Unternehmens, halten in Österreich, in der Bundesrepublik und der Schweiz die Generalvertretung der Moskauer „Stankowimport“ für Werkzeugmaschinen.

Mehr als 2500 sowjetische Drehbohrer, Pressen und Fräsmaschinen konnten sie mittlerweile in der Bundesrepublik absetzen; im Gegengeschäft vermitteln sie deutschen Industrieunternehmen Exportaufträge nach Moskau. So arrangierte das Duo kürzlich den 130-Millionen-Auftrag der Russen an die Allgauer Maschinenfabrik Liebherr GmbH.

In Hattersheim bei Frankfurt unterhält der Franzose Bernard Kutas ein Zwölf-Millionen-Lager sowjetischer Pumpen, Elektro-Motoren, Diamantwerkzeuge und Kugellager. Seine Firma, die Magra GmbH, vertritt gleichfalls westdeutsche Firmen in Moskau und beschäftigt in der Bundesrepublik 90 Angestellte.

In der Moskauer Puschkinstraße unterhält die Firma über die französische Muttergesellschaft Magra-France ein akkreditiertes Büro. Die Hattersheimer Kundenkartei zählt über 2600 westdeutsche Firmen.

Das holländische Handelshaus Stemmeler Imex NV hat sich in Frankfurt eine Niederlassung unter dem Namen Induro GmbH eintragen lassen. In Düsseldorf arbeitet die Schweizer Waltrade AG und vermittelt westdeutschen Produzenten die im Osthandel üblichen Kompensationsgeschäfte.

Klaus Katling, Inhaber des auf Russen Geschäfte spezialisierten deutschen Handelshauses Ohlert (100 Beschäftigte, 100 Millionen Mark Umsatz), erklärt den Einbruch der Ausländer mit einer Wettbewerbsverzerrung: „Holländer und Österreicher beispielsweise konnten nach dem Krieg viel früher wieder anfangen als wir.“

Wilhelm Hendriks, geschäftsführender Vorstand der Warentreuhand AG, des größten Wiener Bankhauses für den internationalen Dreiecks-Handel, glaubt: „Ein Österreicher verkauft bei den Russen doch hundertmal besser als selbst Herr von Amerongen.“

US-Bürger Oztemel und sein deutscher Repräsentant Friedrich Jäger haben weniger Nationalgefühl: „Man muß eben die richtigen Leute in Moskau kennen und bis zu den höchsten Stellen durchkommen. Wichtiger als das Außenhandelsministerium sind die grauen Eminenzen darüber.“



Osthändler Oztemel  
„Die richtigen Leute in Moskau kennen“



**Plaintiff's Exhibit DDDD**

**Stipulation of Evidence Relating to Testimony to Be Given  
at Trial by IBM World Trade Corporation, Dated  
March 28, 1974 (Three Pages and Two Attachments  
of Three and Two Pages, Respectively)**

U. S. DIST. COURT  
S. D. OF N. Y.  
Plaintiffs  
DDDD

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

FPI-WI-12-8-73-10W-1510

----- X

MARVIN STERN,	:	72 Civ. 143 (MEL)
Plaintiff,	:	
- against -	:	STIPULATION OF EVIDENCE
SATRA CORPORATION, SATRA CONSULTANT CORPORATION, IBM WORLD TRADE CORPORATION and RALPH STAFFORD,	:	
Defendants.	:	

----- X

IT IS HEREBY STIPULATED AND AGREED among the undersigned attorneys for the parties that, if the appropriate officer of IBM World Trade Corporation were called to the witness stand, he would give the following testimony and qualify the following exhibits for admission into evidence as documents, each regularly kept in the regular course of business of IBM World Trade Corporation.

1. IBM World Trade Corporation entered into the following agreements:

- (a) With Satra Corporation dated September 22, 1971 with respect to data processing machines;
- (b) With Satra Consultant Corporation dated as of September 22, 1971, guaranteed by Satra Corporation, with respect to data processing machines;
- (c) With Satra Consultant Corporation dated October 5, 1971 with respect to office equipment;
- (d) With Satra Consultant Corporation dated December 4, 1973, effective as of September 1, 1973; and
- (e) Those documents produced by IBM World Trade Corporation in pre-trial discovery.

2. The items identified in (a), (b), (c) and (d) of paragraph (1), are the only contracts and agreements, oral or written, between IBM World Trade Corporation and Satra Corporation and Satra Consultant Corporation.

3. Since September 22, 1971, the records of IBM World Trade Corporation in New York reflect, subject to the completion of certain conditions, the following agreements, including contracts, protocols and memoranda of understanding, for sale to Russian entities of the types of products and amounts of contracts indicated:

<u>Date</u>	<u>Russian Entity</u>	<u>Office Equipment or Data Processing Machines</u>	<u>\$ Amount of Contract</u>	<u>Conditions Completed</u>
-------------	-----------------------	---	------------------------------	-----------------------------

and, to date, IBM World Trade Corporation has received from Russian Entities \$                      for sales of Office Equipment and \$                      for sales of Data Processing Machines.

(Information to be supplied on or before March 29, 1974.)

4. Since September 22, 1971, IBM World Trade Corporation has paid to Satra Corporation or Satra Consultant Corporation the following amounts on the following dates in connection with the agreements listed in paragraph 1 above:

<u>Date</u>	<u>Amount</u>	<u>Agreement</u>	<u>Nature of Payment</u>
-------------	---------------	------------------	--------------------------

(Information to be supplied on or before March 29, 1974.)



IT IS FURTHER STIPULATED AND AGREED that, subject to the exchange of correspondence between counsel for IBM World Trade Corporation and counsel for plaintiff, counsel for plaintiff may call during the trial of this action upon IBM World Trade Corporation for the production of witnesses employed by it. Such call will be treated as if service of a subpoena had been effected. Nothing herein shall limit in any way the rights of IBM World Trade Corporation to move against such calls to the same extent that witnesses or parties may move pursuant to the Federal Rules of Civil Procedure in connection with subpoenas for discovery or trial.

Dated: New York, New York  
March 28, 1974.

PATTERSON, BELKNAP & WEBB

By: *[Signature]*

A Member of the Firm

Attorneys for Defendant  
IBM World Trade Corporation  
30 Rockefeller Plaza  
New York, New York 10020  
Telephone: (212) 541-4000

STROOCK & STROOCK & LAVAN

By: *[Signature]*

A Member of the Firm

Attorneys for Plaintiff  
61 Broadway  
New York, New York 10006  
Telephone: (212) 425-5200

SPIAR AND HILL

By: *[Signature]*

A Member of the Firm

Attorneys for Defendants  
Satra Corporation, Satra  
Consultant Corporation and  
Ralph Stafford  
One State Street Plaza  
New York, New York 10004  
Telephone: (212) 344-6200

SO ORDERED:

CHAUNCEY BELKNAP  
JOHN V. DUNCAN  
WINDSOR B. PUTNAM  
RICHARD G. MOSER  
THOMAS THACHER  
ROBERT S. POTTER  
ROBERT P. PATTERSON, JR.  
JOHN P. PERSONS  
ROBERT B. SHEA  
ROBERT M. PENHOYER  
FRANKLIN E. PARKER  
CRAIG B. BRIGHT  
HERBERT H. CHAICE  
CHRISTOPHER G. STONEMAN  
JOEL L. CARR  
D. ROBERT OWEN  
ROBERT H. M. FERGUSON  
ARTHUR H. KROLL  
STEPHEN W. SCHWARZ  
JANE B. JACOBS

PATTERSON, BELKNAP & WEBB  
30 ROCKEFELLER PLAZA  
NEW YORK, N. Y. 10020

TELEPHONE CODE 212 541-4000

CABLE ADDRESS CURTISITE

TELEX 423897 PBW UI

WILLIAM L. CARY  
COUNSEL

WASHINGTON OFFICE

PATTERSON, BELKNAP, FARMER & SHIBLEY

1120 CONNECTICUT AVENUE, N.W.

WASHINGTON, D. C. 20006

TELEPHONE CODE 202 331-7311

March 29, 1974

Alvin K. Hellerstein, Esq.  
Stroock & Stroock & Lavan  
61 Broadway  
New York, N. Y. 10006

Stern v. Satra Corporation, et al.

Dear Mr. Hellerstein:

In connection with the Stipulation of Evidence signed by the attorneys for the parties yesterday, the following information is furnished on behalf of IBM World Trade Corporation with respect to paragraph 3 thereof:

<u>Date</u>	<u>Russian Entity</u>	<u>Office Equip- ment or Data Processing Machines</u>	<u>\$ Amount of Contract</u>	<u>Conditions Completed</u>
10/22/71*	Electronorg- technika (Ministry of Chemistry)	Data Processing	\$ 2,621,766.41	Yes
**				
3/15/73	Electronorg- technika (Intourist)	"	10,686,813.00	No
7/30/73	Electronorg- technika	Office Equipment	No stated value; sales to date \$125,840.	Yes
3/13/74	Zapchastexport	"	No stated value; sales to date \$14,845.40.	Yes

3/15/74	Techmasimport	Office Equipment	\$ 24,909.80	Yes
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\* Includes addendums effective 3/22/72, 12/8/72, 7/18/73 & 10/5/73.

\*\* In addition to the above contracts for office equipment and data processing machines, IBM World Trade Corporation entered into a contract on December 8, 1972, supplemented on May 23, 1973 and October 19, 1973, with Elektronorgtechnika (Ministry of Chemistry) for programming products used in connection with data processing machines in the amount of \$25,886.

And, to date, IBM World Trade Corporation has received from Russian Entities \$251,074 for sales of Office Equipment and \$60,059.75 for sales of Data Processing Machines.

With respect to paragraph 4 of the Stipulation of Evidence, the following information is furnished on behalf of IBM World Trade Corporation:

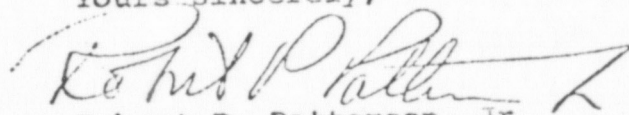
<u>Date</u>	<u>Amount</u>	<u>Agreement</u>	<u>Nature of Payment</u>
10/7/71	\$25,000.00	9/22/71	Advance
12/20/71	25,000.00	9/22/71	"
3/2/73	7,024.17 )		Commission
	)	9/22/71	
4/19/73	12,969.25 )	or	"
	)	10/5/71	"
11/29/73	<u>2,723.34</u> )		
Total	\$72,716.76	(\$17,304.63 - office equipment; \$55,412.13 - data processing machines)	
11/12/73	10,340.32	9/22/71 or 10/5/71	Reimbursement of expenses incurred for IBM World Trade Corporation
12/6/73	11,178.69	Unidentified	Reimbursement of expenses incurred for IBM World Trade Corporation



2/12/74	951.94	Unidentified	Reimbursement of expenses incurred for IBM World Trade Corporation
Dec. 1973	\$66,668.00) for 37,400.00) Sept.- Dec.	12/3/73	Monthly fee Monthly advance
Jan. 1974	16,667.00 9,350.00	12/3/73	Monthly fee Monthly advance
Feb. 1974	16,667.00 9,350.00	1-/3/73	Monthly fee Monthly advance
March 1974	16,667.00 9,350.00	12/3/73	Monthly fee Monthly advance

I would appreciate it if you would acknowledge receipt of this information on the enclosed copy of this letter and return it to the messenger who has instructions to wait.

Yours sincerely,

  
Robert P. Patterson, Jr.

Enclosure

CC: Thomas W. Hill, Esq.  
Hon. Morris E. Lasker

CHAUNCEY BELKNAP  
JOHN V. DUNCAN  
WINDSOR B. PUTNAM  
RICHARD G. MOSER  
THOMAS THACHER  
ROBERT S. POTTER  
ROBERT P. PATTERSON, JR.  
JOHN P. PERSONS  
ROBERT B. SHEA  
ROBERT H. PENNOYER  
FRANKLIN E. PARKER  
CRAIG B. BRIGHT  
HERBERT H. CHAICE  
CHRISTOPHER G. STONEMAN  
JOEL L. CARR  
D. ROBERT OWEN  
ROBERT H. M. FERGUSON  
ARTHUR H. KROLL  
STEPHEN W. SCHWARZ  
JANE B. JACOBS

PATTERSON, BELKNAP & WEBB  
30 ROCKEFELLER PLAZA  
NEW YORK, N. Y. 10020

TELEPHONE CODE 212 541 4000

CABLE ADDRESS CURTISITE

TELEX 423897 PBW UI

WILLIAM L. CARY  
COUNSEL

WASHINGTON OFFICE

PATTERSON, BELKNAP, FARMER & SHIBLEY

1120 CONNECTICUT AVENUE, N.W.

WASHINGTON, D. C. 20036

TELEPHONE CODE 202 331-7311

April 1, 1974

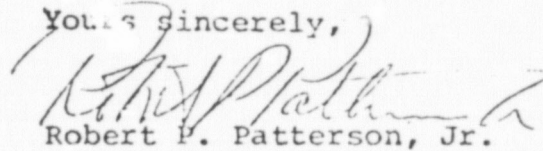
Alvin K. Hellerstein, Esq.  
Stroock & Stroock & Lavan  
61 Broadway  
New York, N. Y. 10006

Stern v. Satra Corporation, et al.

Dear Mr. Hellerstein:

I am enclosing a new page 2 to my letter to you of March 29, 1974 because the old copy contained an important typographical error. Please have an attorney from your office acknowledge receipt of the new page.

Yours sincerely,

  
Robert P. Patterson, Jr.

Enclosure

CC: Thomas W. Hill, Esq.  
Hon. Morris E. Lasker

-2-

3/15/74	Techmasimport Office Equipment	\$ 24,909.80	Yes
---------	-----------------------------------	--------------	-----

\* Includes addendums effective 3/22/72, 12/8/72, 7/18/73 and 10/5/73.

\*\* In addition to the above contracts for office equipment and data processing machines, IBM World Trade Corporation entered into a contract on December 8, 1972, supplemented on May 23, 1973 and October 19, 1973, with Electronorgtechnika (Ministry of Chemistry) for programming products used in connection with data processing machines in the amount of \$85,886.

And, to date, IBM World Trade Corporation has received from Russian entities \$251,074 for sales of Office Equipment and \$1,960,059.75 for sales of Data Processing Machines.

With respect to paragraph 4 of the Stipulation of Evidence, the following information is furnished on behalf of IBM World Trade Corporation:

<u>Date</u>	<u>Amount</u>	<u>Agreement</u>	<u>Nature of Payment</u>
10/7/71	\$25,000.00	9/22/71	Advance
12/20/71	25,000.00	9/22/71	"
3/2/73	7,024.17 )	9/22/71	Commission
4/19/73	12,969.25 )	or	"
11/29/73	<u>2,723.34</u> )	10/5/71	"
Total	\$72,716.76	(\$17,304.63 - office equipment; \$55,412.13 - data processing machines)	
11/12/73	10,340.32	9/22/71 or 10/5/71	Reimbursement of expenses incurred for IBM World Trade Corporation
12/6/73	11,178.69	Unidentified	Reimbursement of expenses incurred for IBM World Trade Corporation



E 91

**Plaintiff's Exhibit EEEE**

**Reproduction of Graph Drawn on Blackboard  
by Marvin Stern During Trial Testimony**

Total  
Annual  
Expenses  
200

100

250

500

750

1000

2000

Total Annual Revenues  
Thousand

USA 336-476  
(ED. 4-23-71)

PLAINTIFF

EXHIBIT  
U. S. DIST. COURT  
S. D. OF N. Y.

EEEE

FPI-M-12-6-53-10W-1510

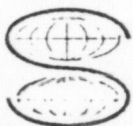
E  
92

E 93

**Plaintiff's Exhibit HHHH**

**Document on the Stationery of Satra Corporation to  
"IBM World Trade Corp., Attention: Mr. K. J.  
Hendricks," Dated June 26, 1973**





SATRA CORPORATION

PRIVILEGE REVIEW REQUIRED

ARA OZTEMEL  
PRESIDENT AND CHAIRMAN OF THE BOARD

June 26, 1973

IBM World Trade Corp.  
821 United Nations Plaza  
New York, New York

Attention: Mr. K. J. Hendricks

Gentlemen:

We refer to your proposed contract dated May 31, 1973 to replace the existing contract between our firms.

As discussed with various members of your Corporation on a number of occasions, we agree that the existing contract does not cater to the present needs and therefore we are prepared to revise it. However, in fairness to the potential between your firm and the Soviet Union, we cannot agree that the opportunities of achieving a minimum annual volume of \$50,000,000 do not exist.

What is mainly lacking is the aspect of maintaining a balanced trade to the extent possible. That aspect we are fully capable of correcting.

During our last meeting with Mr. Sushkov and Mr. Shukin at your offices, it was quite clear to me that they could sign a long term contract with a minimum of \$50,000,000 annually with possibilities of extending it to \$150,000,000. We would recommend that the possibility be pursued as soon as possible.

Another possibility raised during the meeting was regarding a long term purchase agreement for your duplicating machines. They did say that there were discussions under way with Rank Xerox whereby the Soviets would manufacture fractional electric motors to be supplied to Rank Xerox and in return Rank Xerox would supply the Soviets with duplicating machines to the extent of some \$30,000,000 annually. Mr. Sushkov expressed readiness to negotiate with your firm on the same basis. He asked that you advise him of your interest in this proposal.

S. D. OF N. Y.

APR 17 1974

HHHH *[Signature]*

. CORPORATION

E 95

-2-

We do not disagree with the proposed contract with some revisions,  
however, we do believe that it caters to the smaller part of the problem.

Kindest regards.

Sincerely yours

Ara Oztemel

AO/bvs

RECEIVED  
JAN 14 1964  
U.S. DEPT. OF JUSTICE

E 96

**Defendants' Exhibit 2**

**Document Entitled "Schedule B, Summary" (One Page)  
with Attached Schedule B (Two Pages)**



Schedule B  
Summary

(A) "New York" Reimbursements

<u>Period</u>	<u>Amounts</u>
9/22/71 to 9/21/72	2,405.38
9/22/72 to 9/21/73	-
9/22/73 to 3/31/74	21,519.11

(B) "Moscow" Reimbursements

<u>Period</u>	<u>Incurred</u>	<u>Received</u>
9/22/71 to 9/21/72	3,083.65	2,511.25
9/22/72 to 9/21/73	5,280.69	4,427.85
9/22/73 to 3/31/74	7,102.84	8,904.83

REIMBURSEMENTS FROM I.B.M.

- (1) Reimbursements billed from SATRA New York to I.B.M. representing "travel vouchers" paid by SATRA to "American Travel Abroad" for trips of I.B.M. personnel to Moscow:

1-12-72	\$209.00	
1-18-72	240.95	
5-30-72	768.18	
7-7-72	220.05	
7-21-72	503.00	
9-21-72	464.20	
9-22-71 to 9-21-72		2,405.38
9-22-72 to 9-21-73	-	-
11-28-73	10,340.32	
12-10-73	11,178.69	
9-22-73 to Date		21,519.01

- (2) Reimbursement from I.B.M. Vienna has been paid directly to the SATRA Moscow Office on a sporadic basis as billed beginning in December of 1971. These reimbursements represent direct repayments for incidental direct expenses incurred by I.B.M. in Moscow, principally the rent on Room 422 in the Metropole Hotel.

	<u>Incurred</u>	<u>Reimbursement</u>
October 1971	109.67	-
November 1971	73.66	-
December 1971	68.80	-
January 1972	47.30	-
February 1972	414.83	181.60
March 1972	636.43	-
April 1972	-	-
May 1972	34.15	1,200.00
June 1972	1,234.52	-
July 1972	-	729.04
August 1972	400.61	400.61
September 1972	63.68	-
October 1972	546.00	500.00
November 1972	779.14	757.00
December 1972	313.00	313.00
January 1973	-	181.60
February 1973	100.80	-
March 1973	-	-
April 1973	1,125.91	921.18
May 1973	211.73	-
June 1973	-	-
July 1973	208.34	-
August 1973	600.02	-
September 1973	1,326.75	1,755.07
October 1973	1,718.98	1,500.00

	<u>Incurred</u>	<u>Reimbursement</u>
November 1973	211.26	430.24
December 1973/January 1974	394.80	2,381.59
February 1974/March 1974	4,777.80	4,593.00

It should be realized that as the I.B.M. activity in Moscow increased the direct expense outlay by SATRA increased. In or about October of 1972, the Moscow Office of SATRA began to maintain a separate "IBM Expense Account" which is replenished periodically by IBM Vienna. The mechanism for doing this has been for IBM Vienna to deposit sums into the SATRA account which are then withdrawn, and segregated, entirely from the SATRA Moscow Office general expenses.



E 100

**Defendants' Exhibit 3**

**Document Entitled "Schedule C, Summary, Expenses  
Incurred Related To IBM Business" (One Page)  
with Attached Schedule C (Two Pages)**

E 101

Schedule C  
Summary

Expenses Incurred  
Related to I.B.M. Business

<u>Period</u>	<u>Total Amount</u>	<u>IBM Portion</u>
9/22/71 to 9/21/72	160,570.54	147,895.93
9/22/72 to 9/21/73	378,804.44	265,959.52
9/22/73 to 3/31/74	132,482.37	102,462.25

\*Including only other related expenses attributed  
to IBM Business.

Def. Exhibit No. 3 ID

Schedule C

Expense Incurred  
Related to I.B.M. Business

---

The expenses connected with carrying out the various contractual obligations with IBM are related to four principal areas as follows:

- (A) SATRA Moscow Office
- (B) SATRA Industrial Corporation
- (C) Mr. Alexander Perrinelle
- (D) Other related

Note: Following periods actually ended September 30 each year

(A) SATRA Moscow Office:	<u>Total</u>	<u>IBM Portion</u>
9/22/71 to 9/21/72	63,023.81	25,174.60
9/22/72 to 9/21/73	93,236.17	35,247.39
9/22/73 to 3/31/74	44,520.73	16,923.58

(B) SATRA Industrial Corporation:	<u>Total</u>	<u>IBM Portion</u>
9/22/71 to 9/21/72	17,546.73	17,546.73
9/22/72 to 9/21/73	219,424.56	164,568.42
9/22/73 to 3/31/74	4,845.95	2,422.98

(C) Mr. Alexander Perrinelle:	<u>Total</u>	<u>IBM Portion</u>
9/22/71 to 9/21/72	-	-
9/22/72 to 9/21/73	16,143.71	16,143.71
9/21/73 to 3/31/74	23,115.69	23,115.69

(D) Other Related Expenses:

In addition to the foregoing there have been, and will continue to be, certain expenses associated with carrying out obligations under the SATRA IBM contract.

The foregoing does not include any expense, for example, of Mr. Ara Oztemel. Nor does it include any expense of the New York or London based Consultant or Office personnel.



The following table attempts to quantify these costs for each period:

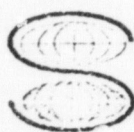
9/22/71 to 9/21/72	\$80,000
9/22/72 to 9/21/73	50,000
9/22/73 to 3/31/74	60,000

The above allocations are based on the best estimates assuming time spent by the personnel involved.

E 104

**Defendants' Exhibit 4**

**Document on the Stationery of Satra Industrial  
Corporation to "Mr. B. H. Witham,  
IBM World Trade Corporation", Dated  
February 21, 1973 and Attachments**



SATRA INDUSTRIAL CORPORATION

MEMBER OF THE SATRA GROUP

PRIVILEGE REVIEW REQUIRED

cc: K. J. Hendricks

5/22/72

Ant

February 21, 1973

Mr. B. H. Witham  
 IEM World Trade Corporation  
 821 United Nations Plaza  
 New York, N. Y. 10017

Dear Bert,

As you requested, I am attaching copies of some correspondence relating to the IEM - SATRA relationship.

Attachment A is a memo written recently by Mr. Wisse, the manager of our Moscow office. Please excuse the quality of the English and the style. The contents are, however, self-explanatory. The names underlined in red are those of non-IEMers; all others are IEMers.

Attachment B is typical of the visa assistance requests which we receive from Houston and other U.S. IEM locations. They are processed by our Washington office.

Attachment C covers the order to stop reimbursing our Moscow office for interpreter, space and other similar expenses. My reply is attached.

Attachment D covers my letter to Bob Degnan after our last meeting and his reply.

I hope that you can help us to clear up some of the misunderstandings which obviously exist.

Sincerely,

Ralph R. Stafford

EXHIBIT  
 U. S. DIST. COURT  
 S. D. OF N. Y.

RRS:s

APR 17 1974



E 106

Mr. Stafford T-18A  
cc. w. l. file

(A)

SATRA CORPORATION

PRIVILEGE REVIEW REQUIRED

Moscow, January, 30, 1973.

To: Mr. R. R. Stafford.  
From: Mr. G. A. Wisse.  
Re: I.B.M. activities in the USSR.  
Report: NOW/ 4234.

EINGELASST

5. Feb. 1973

Erl. ....

on January 13th arrived the group of Mr. Koonce and seven persons of IBM.

On January 13th arrived by train, Mr. Koester, accompanied by an other person.

They requested for seminars two highly technical interpreters, without previous notice.

We provided them with Mr. Looshnikov and hired Mr. Shurigin, but donot think this is so easy here.

Mr. Shurigin was translating a highly technical seminar from January 15th till January 24th.

Mr. Looshnikov was translating a very technical seminar from January 15th till January 22nd.

In the meantime we had here Mr. Rudolf on January 16th till January 19th. He was accompanied by a technical man Mr. Altfart.

In the same period were in Moscow Mr. Shuster, Ruskevich and Mr. Opperman.

On January 21st arrived Mr. Kulik, Mr. Maning and Mr. Gunther, they stayed in Moscow till and including January 26th. They

also needed two interpreters from us for very important commercial negotiations and technical negotiations with Intourist.

So they needed also two qualified technical interpreters.

In the same period arrived John Huhs who needed more than 20 appointments, and you know what it means to get an appointment, somebody is phoning half a day.

For many of these appointments he needed an interpreter.

In the same period came Janek Weber, also he needed appointments and interpreter for his negotiations.

In the same period arrived Mr. Kassaris with Mr. Hessler plus an other person from Pioneers who needed our help for appointments and interpreters. Stankoimport.

So we needed at once, 2 very ~~experienced~~ experienced interpreters for two different seminars of group Mr. Koonce.

Two interpreters in the office to make the appointments and if needed to go out for translating work for Mr. Rudolf, Kassaris, Weber, John Huhs, and to arrange in the meantime the appointments and the international telephone calls, take care of the Shuster group, and to recd vc in our office all officials from the Ministries to speak with the IBM officials. Not to speak about ordering food for all of them and drinks as the meetings took place whole days.

Then we needed two interpreters very qualified for negotiations for Mr. Kulik and Mr. Gunther group.

page 2. Memo MOW/4234.

we needed also one extra interpreter for pioneers group.  
Kassariss.

So we took for this period 3 extra interpreters which costed us a lot of time to get them. Speaking about planning.

Translaters for seminars are costing a lot of money and we only wanted to know who is paying what.

Satra people should inform us in advance what they need from us, I must be in position to give green or red light, when I discuss this they say, we are an american company and not South Americans, this is the way we work. But they forget that it is the way we work at the moment for all of them. Soon I foresee that this will influence on our people and they will simply leave us, or are not anymore available.

So the situation in January was as follows:

Mr. Koonce group used our interpreters for 2 technical seminars  
Mr. Shurigin from January 15th till and including January 24th,  
Mr. Looshnikov from January 15th till and including January 22nd.  
Mr. Rudolf and Mr. Altfart were served in the meantime by Mrs. Wisse and Mrs. Simanovich.

Mr. Schuster and group which do not demand interpreters during many of their negotiations needed left and right small help, anyway and were served by Mrs. Wisse and Mrs. simanowich as well.  
Mr. Kulik and Mr. Gunther were served from January 22nd. till and including January 24th. by Mrs. Sharova, Mr. Looshnikov, from the morning till deep in the evening for translations.

Organising in the meantime international telephone calls and food and drinks for them and officials from USSR side. Also changing their air tickets and hotel accommodation as they simply are praying us to do that as they had no time and donot know, how it works and they are right this is the top of idiotisme here.  
Hence from January 24th till and including January 26th. Mr. Shurigin and Mrs. Sharova were translating again for the group Kulik till deep in the night.

In the meantime Mrs Wisse and Mrs Simanovich were making appointments and were needed going with groups out as interpreters for Mr. Weber, Mr. Huhs and Mr. Kassariss.

An other interpreter Mrs Davidenko which we could get as emergency acted for the negotiations between Stankoimport and Pioneers.

Future program known to us at this moment is:

As from February 4th till the end of February.

4 february arrival Peter Serjent.

7 february arrival Mr. Harding IBM

11 February arrival of Carl Longley with Mr. van Stee of Bliss.

19 February arrival Mr. Altfart plus one person

they will stay at least two weeks and all of them need help.

From February 20th till and including 22nd Group Schuster will have a technical seminar.



SATRA CORPORATION

page 3 of memo MOW/4234.

Group Schuster is requesting us to arrange a place for such a seminar, you see, Lunches, dinners, cocktail, and they requested us in advance to make available our best interpreter Mr. Looshnikov for this seminar.

February 26 arrival of Mr. Koonce for three weeks with his group for an other seminar, they requested us to make available Mr. Shurigin and we will see that we can HIRE HIM, also they will need perhaps a second interpreter.

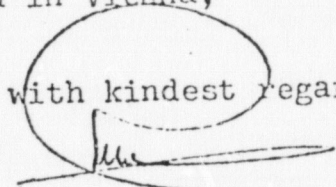
At the same period but not yet know, the group of Kulik will arrive to continue negotiations with electronorgtechnica and Intouris so you will see, that we need to take extra people to do this work in the best possible way, but they are not always available.

We do not even mention transport service to the airport and back to town for those people for which Satra is just sending cables in the meantime. please meet.

We do hope that you got a good picture of our activities, which will be available till the people run away from such work.

Thanking you for your kind interest in the matter we remain wishing you succes with the new bureau in Vienna,

with kindest regards,



G. A. W i s s e .



(B)

E 109

T-18B

PRIVILEGE REVIEW REQUIRED

2/12/73

LASATRA LSA

SATRA WSH

02121310

FOR RALPH STAFFORD

SUBJ IBM HOUSTON TRIP TO USSR

RECD FOLLOWING VISA APPS. FROM IBM-HOUSTON THIS MORNING:

JOHN KOONCE

BYRON GARIEPY

ALVIN LOECKLE

THESE GENTLEMEN TO VISIT MINISTRY OF GEOL GY AND MINISTRY OF  
REFINING PETROCHEMICAL IND. FEB 24 TO FMARCH 18. PLS  
ADVISE IF VISA SUPPORT HAS BEEN REQUESTED AND IF SO WHEN.

ALICIA

LASATRA LSA

T

*Pls. process on tourist visa  
basis.*

E 110

PRIVILEGE REVIEW REQUIRED

1

RCAN337/13

224532 0616 11RKP MONSTAR SU

DEDF 1639

224532 0616 UK

7420 MONSTAR SU FEBR 13TH FROM WISSE

WE WERE INFORMED BY DR. SCHUSTER OF IBM VIENNA THAT IT IS NOT  
POSSIBLE ANYMORE TO MAKE MONEY TRANSFERS TO MOSCOW SATRA TO  
PAY THOSE COSTS WHICH ARE NORMALLY FOR IBM ACCOUNT STOP HE  
COULD NOT TELL WHO OR WHICH OFFICE IS IN CHARGE OF SUCH  
TRANSFERS IN THE FUTURE REASON WHY I HEREWITH INFORM YOU  
THAT IN IS NECESSARY TO CONTACT IBM MR HENDRIKS TO FIND  
OUT HOW THE PROCEDURE WILL BE STOP SO AS FROM THIS MOMENT  
THE COST WILL BE ADVANCED BY SATRA AND I WILL IN THE  
MONTHLY BOOKKEEPING MAKE NOTES AS ADDITIONAL MESSAGE TO  
THE BOOKKEEPING WHICH AMOUNTS SHOULD BE COLLECTED FROM IBM  
HOWEVER THOSE AMOUNTS SHOULD BE SEND BACK TO MY BUDGET  
HERE AS OTHERWISE I WILL NOT HAVE MONEY ENOUGH TO RUN THEA  
SHOW IN MOSCOW STOP PLEASE BE SO KIND TO DISCUSS MATTERS  
ON HIGHEST LEVEL THANK YOU STOP  
THIS MESSAGE ADDRESSED TO MR STAFFORD AND TO NEW YORK  
AS COPY FOR BETTE VAN STAVEREN TO ACT THE WAY SHE THINKS  
IS BEST REGARDS ALEC WISSE

7420 MONSTAR SU1KXMT00

T-18D

E 111

PRIVILEGE REVIEW REQUIRED

RCA 13 2337 124313+  
LASATRA LSA  
8717423"  
7428 MONSTAR SU  
RCA 13311 2333  
LASATRA LSA

FEB 13 1973 TLX 743

WISSE

RYC DO NOT, REPEAT, DO NOT ADVANCE ANY MONEY TO IBM UNTIL I CLEAR  
UP MATTER WITH IBM NEW YORK.

REGARDS STAFFORD (CARBON TO BETTE VAN STAVEREN, NY)

\*  
7428 MONSTAR SU.....  
0000.8

RCA 13 2333 124393  
GA



Copy to V. R. R.

cc: Mr. A. O. R. J. / 1/24/73 from L. O. R. V. R. .  
Mr. R. R. R. R. R.

E 112

IBM  
T-18E

(D)

PRIVILEGE REVIEW REQUIRED

R. J. Deegan  
IBM Europe  
Cite du Retiro  
Paris 6e  
France

18 January, 1973

Dear Bob:

I enjoyed our lunch and, while there were not as many points to be covered as we would have both desired, I would like to recapitulate them below:

1. I acknowledged your dissatisfaction with the services rendered by the Misses as far as arranging the proper appointments and doing so on time. This situation will be corrected.
2. I agreed with the appointment for the Satra Account Manager in Moscow, who would at all times be kept updated with the progress of the various current IBM projects in the Soviet Union. This Account Manager will be available at your request to assist with matters other than administrative and I shall advise you in the near future whom we have selected and will arrange for the proper introductions.
3. We agreed that your people will endeavour not to overtax us with administrative requests, particularly in such areas as vouchers and visas. I will, however, see that there will be continuity in the interpreting staff which your people will require.
4. On the matter of peripherals we agreed that inspite of Klaus Hendricks' letter there appears to be a misunderstanding. I would, therefore, like to repeat the question which I already posed to Klaus,

To: R. L. Deppan  
January 15, 1973 (contd.)

i. e., is IBM interested in selling peripherals for systems other than those manufactured by IBM and, if so, should we jointly pursue a marketing approach in this area in the Soviet Union?

5. I advised you that the follow-up to the meeting between G. D. R. State Secretary Dr. Boil and CH Jones has not been satisfactorily handled according to the information which I received from our G. D. R. contacts.

Specifically Dr. Boil suggested to IBM to conduct an in-depth seminar elaborating on the themes presented to Dr. Boil in New York. In this respect I suggested to IBM to prepare a detailed outline of such a seminar and forward it to us so that we may hand it to the proper authorities who will then assemble the proper audience.

In addition, Dr. Boil suggested to IBM to apply for accreditation in the G. D. R. As far as I know, nothing has been done in this respect. It would be advisable that this be started as soon as possible.

6. Our new offices in Vienna are now in full operation. Following is the address and communication data:

Satra Industrial Corporation, Bauernmarkt 5/5/10, 1010 Vienna,  
Telephone: 66 12 59, Telex: 07 4956, cable VIESATRACO.

I would like to once again remind you that the items requested in paragraph 12 of my letter of November 13 are still outstanding and we would very much appreciate it if you could arrange to have them forwarded to me to our Vienna offices.

As usual, it was a pleasure to meet with you and I would like to use this opportunity to express my hope that 1973 will prove to be a successful year in your operational area.

Sincerely,

cc. Mr. A. Oztemel

Ralph R. Stafford

ONE COPY

Service of ~~\_\_\_\_\_~~ of the  
within Toluk App. is hereby  
admitted this 22 day of  
February 1976

Signed Philip K. Hellerstein

Attorney for Macmillan & Co.